

STATE OF TENNESSEE
WEATHERIZATION ASSISTANCE PROGRAM
FISCAL YEAR 2009 STATE PLAN
JULY 1, 2008 - JUNE 30, 2009



PHIL BREDESEN
Governor

DEPARTMENT OF HUMAN SERVICES
Designated State Agency

VIRGINIA T. LODGE
Commissioner

For more information concerning the Weatherization Assistance Program (WAP)
State Plan please contact:

Department of Human Services
400 Deaderick Street
Nashville, Tennessee 37248
(615) 313-4762

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INTRODUCTION

The Tennessee Department of Human Services (DHS) is the State's administering agency for the Weatherization Assistance Program (WAP). Eighteen local agencies, including community action agencies, human resource agencies, and other public entities, will contract with DHS during Fiscal Year 2009 (DOE PY 2008) to provide weatherization assistance in each of Tennessee's ninety-five counties.

This program is designed to assist low-income households in reducing their fuel costs and to contribute to national energy conservation through increased energy efficiency and consumer education. Weatherization measures provided by this Program will reduce heat loss and energy costs by improving the thermal efficiency of dwelling units occupied by low-income households.

The WAP was established under Title IV of the Energy Conservation and Production Act and amended by the National Energy Conservation Policy Act, the Energy Security Act, the Human Services Reauthorization Act of 1984, and the State Energy Efficiency Programs Improvement Act of 1990. The program is administered and funded at the federal level by the U.S. Department of Energy (DOE).

The State of Tennessee's allocation from the DOE is determined by the relative need for weatherization assistance among the states. The number of low income households, the percentage of total residential energy used for space heating and cooling, the annualized fuel costs, and the number of heating and cooling degree days are variables taken into account.

In addition to DOE funds, and in accordance with an Act passed by the Tennessee General Assembly in May 1984, a minimum of ten percent (10%) of the State's Low Income Home Energy Assistance Program (LIHEAP) block grant funds from the U.S. Department of Health and Human Services (HHS), and any funds received by the State from oil overcharge settlements designated for energy programs, are used for weatherization assistance. Grantees are expected to achieve a rate of production and expenditure that will result in all DOE Weatherization funds being spent by the end of the contract period.

The source of all WAP funds in Tennessee is the federal government. Consequently, all allocations to local agencies are subject to Congressional appropriation (and/or Federal Court orders) and subsequent allotments to the State by the DOE and HHS. In the event anticipated Federal funds are not obtained and continued at the levels indicated in this Plan, the DHS reserves the right to reduce all agency allocations accordingly. In no event shall funds be provided for reimbursement of WAP agencies where federal funds are not available for such purposes.

All funds available to Tennessee's WAP will be administered in accordance with DOE rules and regulations. Local agencies will be required to adhere to these and other applicable federal regulations; including the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the State of Tennessee's Comptroller of the Treasury; and the Weatherization Assistance Program 2009 State Plan.

CHANGES FROM THE PREVIOUS WAP STATE PLAN

The following is a summary of major changes in the WAP program for state fiscal year 2009. Please read the entire draft plan carefully for all program policies and procedures.

- Agency allocations reflect current estimated funds in agency 5-year contracts. FY 2009 is the final year of this 5-year grant contract period. Allocations may need to be revised when final grant awards are made to the State.
- Income eligibility guidelines have been revised to reflect current Federal Poverty Income Guidelines when the FY 2009 data issued by the U.S. Department of Health and Human Services. See page 27 for Poverty Guidelines.
- The Priority Points System has been revised.
- DHS incorporates updated county poverty data from the Census Bureau into the annual program allocations using a rolling three-year average as updated annually by the Census Bureau. See Exhibit W. FY 2009 allocations reflect data from 2003, 2004, and 2005.
- The new DOE adjusted average expenditure limit for FY 2009 is **\$2,966**. This is an average annual cost which means some completed houses may be done at a higher cost and some at less than this amount. Dwellings that require additional repairs or measures beyond **\$3,966** of DOE funds will require DHS approval in writing prior to work being completed.
- LIHEAP funds used in Weatherization program may be used as needed to provide additional weatherization measures to a home and are not included in the average annual cost per home.
- Client applications should be re-certified 12 months from the date of the original application or the date of the last re-certification as eligibility may change due to the length of time that the client has been waiting for weatherization services.
- DOE is continuing to review guidance on Health and Safety costs. Changes to the State's plan and/or grant contracts may be necessary if this information is received during the contract period.
- DOE has decided to make no change in the POI insurance requirement at this time. Should changes occur during this contract period, the State Plan and/or grant contracts may need to be adjusted accordingly.

DEFINITIONS

As used in this State Plan:

Act means the Energy Conservation in Existing Buildings Act of 1976, as amended, 42 U.S.C. 6851 et seq.

Adoption Assistance means payments or subsidies paid to parents who adopt a child or children with special needs. Adoption assistance payments are not counted as income.

Assistant Secretary means the Assistant Secretary for Conservation and Renewable Energy or official to whom the Assistant Secretary's functions may be re-delegated by the Secretary.

Base Allocation means the fixed amount of funds for each State as set forth in 10 CFR Part 440.10(b)(1).

Base temperature means the temperature used to compute heating and cooling degree days. The average daily outdoor temperature is subtracted from the base temperature to compute heating degree days, and the base temperature is subtracted from the average daily outdoor temperature to compute cooling degree days.

Building Envelope means any area of a building which encloses conditioned space.

CAA means a Community Action Agency.

Capital-Intensive furnace or cooling efficiency modifications means those major heating and cooling modifications which require a substantial amount of funds, including replacement and major repairs, but excluding such items as tune-ups, minor repairs, and filters.

Children means dependents not exceeding 19 years or a lesser age set forth in the State plan.

Community Action Agency means a private corporation or public agency established pursuant to the Economic Opportunity Act of 1964, Pub. L. 88-452, which is authorized to administer funds received from Federal, State, local, or private funding entities to assess, design, operate, finance, and oversee antipoverty programs.

Cooling Degree Days means a population-weighted annual average of the climatological cooling degree days for each weather station within a State, as determined by DOE.

Department means the Tennessee Department of Human Services.

Deputy Assistant Secretary means the Deputy Assistant Secretary for Technical and Financial Assistance or any official to whom the Deputy Assistant Secretary's functions may be re-delegated by the Assistant Secretary.

DHS means the Department of Human Services.

DOE means the Department of Energy.

Dwelling Unit means a house, including a stationary mobile home, an apartment, a group of rooms, or a single room occupied as separate living quarters.

Elderly Person means a person who is 60 years of age or older.

Electric base-load measures means measures which address the energy efficiency and energy usage of lighting and appliances.

Family Unit means all persons living together in a dwelling unit.

Formula Allocation means the amount of funds for each State as calculated based on the formula in Section 440.10(b)(3).

Formula Share means the percentage of the total formula allocation provided to each State as calculated in Section 440.10 (b)(3).

Governor means the chief executive officer of a State, including the Mayor of the District of Columbia.

Grantee means the State or other entity named in the Notification of Grant Award as the recipient.

Heating Degree Days means a population-weighted seasonal average of the climatological heating degree days for each weather station within a State, as determined by DOE.

High residential energy user means a low-income household whose residential energy expenditures exceed the median level of residential expenditures for all low-income households in the State.

Household with a high energy burden means a low-income household whose residential energy burden (residential expenditures divided by the annual income of that household) exceeds the median level of energy burden for all low-income households in the State.

HRA means a Human Resource Agency.

IRS means the Internal Revenue Service.

Incidental Repairs means those repairs necessary for the effective performance or preservation of weatherization materials. Such repairs include, but are not limited to, framing or repairing windows and doors which could not otherwise be caulked or weather-stripped and providing protective materials, such as paint, used to seal materials installed under this program.

Indian Tribe means any tribe, band, nation, or other organized group or community of Native Americans, including any Alaskan native village, or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, Pub. L. 92-203, 85 Stat. 688, which (1) is recognized as eligible for the special programs and services provided by the United States to Native Americans because of their status as Native Americans, or (2) is located on, or in proximity to, a Federal or State reservation or rancheria.

LIHEAP means the Low Income Home Energy Assistance Program.

Local Applicant means a CAA or other public or non profit entity unit of general purpose local government.

Local Contract Agency means a public or private nonprofit entity, or unit of general purpose local government which manages a weatherization project and receives weatherization funds from the DHS.

Low Income means that income in relation to family size which:

(1) Is at or below 125 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, except that the Secretary may establish a higher level if the Secretary, after consulting with the Secretary of Agriculture and the Secretary of Health and Human Services, determines that such a higher level is necessary to carry out the purposes of this part and is consistent with the eligibility criteria established for the weatherization program under section 222(a)(12) of the Economic Opportunity Act of 1964;

(2) Is the basis on which cash assistance payments have been paid during the preceding twelve month-period under titles IV and XVI of the Social Security Act or applicable State or local law; or

(3) If a State elects, is the basis for eligibility for assistance under the Low Income Home Energy Assistance Act of 1981, provided that such basis is at least 125 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.

Model Forms means those forms supplied by DHS which are to be used by each agency and which may be changed upon written approval from the Department. However, the minimum data required in such forms may not be changed in any manner.

Native American means a person who is a member of an Indian tribe.

Non-Federal leveraged resources means those benefits identified by State or local agencies to supplement the Federal grant activities and that are made available to or used in conjunction with the DOE Weatherization Assistance Program for the purposes of the Act for use in eligible low-income dwelling units.

OMB means the U.S. Office of Management and Budget.

Percentage of Total Residential Energy Used for Space Heating means the national percentage of total energy used for space heating, as determined by the DOE.

Persons with Disabilities means any individual (1) who is a handicapped individual as defined in section 7(6) of the Rehabilitation Act of 1973, (2) who is under a disability as defined in section 1614(a)(3)(A) or 223(d)(1) of the Social Security Act or in section 102(7) of the Developmental Disabilities Services and Facilities Construction Act, or (3) who is receiving benefits under chapter 11 or 15 of title 38, U.S.C.

Program Allocation means the base allocation plus formula allocation for each State.

Relevant Reporting Period means the Federal fiscal year beginning on October 1 and running through September 30 of the following calendar year.

Rental Dwelling Unit means a dwelling unit occupied by a person who pays rent for the use of the dwelling unit.

Residential Energy Expenditures means the average annual cost of purchased residential energy, including the cost of renewable energy resources.

Sample Forms means those forms supplied by the DHS which are optional for use as written or may be changed by the agency.

Secretary means the Secretary of the Department of Energy.

Separate Living Quarters means living quarters in which the occupants do not live and eat with any other persons in the structure and which have either direct access from the outside of the building or through a common hall or complete kitchen facilities for the exclusive use of the occupants. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements, and includes shelters for homeless persons.

Shelter means a dwelling unit or units whose principal purpose is to house on a temporary basis individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.

Single-Family Dwelling Unit means a structure containing no more than one dwelling unit.

Skirting means material used to border the bottom of a dwelling unit to prevent infiltration.

Standard Forms means those required forms supplied by the Department which must be used by each agency and which may not be altered in any manner, except for the placement on the forms of the name, address and telephone number of the agency.

State means each of the States and the District of Columbia.

Sub-grantee means an entity managing a weatherization project which receives a grant of funds awarded under this part from a grantee.

Total Program Allocations means the annual appropriation less funds reserved for training and technical assistance.

Tribal Organization means the recognized governing body of any Indian tribe or any legally established organization of Native Americans which is controlled, sanctioned, or chartered by such governing body.

Unit of General Purpose Local Government means any city, county, town, parish, village, or other general purpose political subdivision of a State.

Vestibule means an enclosure built around a primary entry to a dwelling unit.

WAP means the Weatherization Assistance Program.

Weatherization Materials mean:

- (1) Dense-pack insulation
- (2) Caulking and weatherstripping of doors and windows;
- (3) Furnace efficiency modifications including, but not limited to --
 - (i) Replacement burners, furnaces, or boilers or any combination thereof;
 - (ii) Devices for minimizing energy loss through heating system, chimney, or venting devices; and
 - (iii) Electrical or mechanical furnace ignition systems which replace standing gas pilot lights;
- (4) Cooling efficiency modifications including, but not limited to --
 - (i) Replacement air conditioners;
 - (ii) Ventilation equipment;
 - (iii) Screening and window films; and
 - (iv) Shading devices.

Weatherization Project means a project conducted in a single geographical area which undertakes to weatherize dwelling units that are energy inefficient.

ASSURANCES REGARDING SELECTION AND FUNDING OF LOCAL CONTRACT AGENCIES

In accordance with DOE regulations for the WAP (10 CFR Part 440.15), the DHS ensures that:

1. Each local contract agency of the WAP will be a community action agency, human resource agency, other public nonprofit entity, or unit of local government.
2. Each local contract agency will be selected on the basis of public comments received during public hearings held on the DOE funding application, proposed State Plan and other appropriate findings regarding:
 - a. The agency's experience and performance in Weatherization or housing renovation activities;
 - b. The agency's experience in assisting low income persons in the area to be served; and
 - c. The agency's capacity to undertake a timely and effective Weatherization Program.
3. Preference is given to community action agencies or other public or nonprofit entities which have, or are currently administering, an effective program, with program effectiveness evaluated by consideration of factors including, but not necessarily limited to, the following:
 - a. The extent to which the past or current program achieved or is achieving Weatherization goals in a timely fashion;
 - b. The quality of work performed by a local contract agency; and
 - c. The number, qualifications, and experience of staff members of a local contract agency.
4. Funds received for the Weatherization Assistance Program will be allocated in accordance with the DOE's selection criteria for WAP subgrantees in accordance with 440.14 (b) (9)(ii) and the policies of the Department. All geographical areas in the State will be served.

METHOD OF ALLOCATION

GENERAL

The Department will allocate WAP funds on the basis of the relative need for a weatherization project by low-income persons. This is in accordance with 10 CFR Part 440.14(b)(ii). Initial sub-recipient allocations will be based entirely on the percentage of the State's poor persons in each county (based on a rolling three-year average) served by local contract agencies. However, if an agency is not meeting production goals and another agency has passed production and could use additional funds, the State reserves the right to reallocate funds from one agency to another.

Multi-county agencies will be required to adhere to each county's allocation of WAP funds by weatherizing a proportional number of units within each county of its service area in relation to its total agency WAP allocation, unless authorized in writing by an agency's governing board and approved by the DHS.

Unexpended funds from the contract period will be re-captured by the Department and re-distributed in the subsequent contract period in a manner to be determined by the Department.

POLICY ON DOWNSIZING AND CONSOLIDATION OF SUBGRANTEES

Based on previous reductions in federal funding, the DOE directed all states to prepare plans for the possible downsizing and consolidation of local service delivery systems. The circumstances and timetable under which the DHS would take action in this area are presented in this section.

Circumstances for Consolidating Subgrantee Service Areas

The DHS will continue to allocate DOE funds to subgrantees based on U.S. Census data concerning the percentage of poor persons in each county. In addition, DOE funds will be allocated to subgrantees through contracts under the State fiscal year, which commences each July 1. When the following circumstances are identified for any subgrantee, the service area of the subgrantee will be considered for consolidation with the service area of a larger subgrantee:

1. The DOE allocation for the State fiscal year contract is less than \$25,000; and
2. Other resources totaling \$25,000 or more are not available to perform weatherization measures and related home repairs to compliment the services of the WAP. These other resources may include funds from the Low Income Home Energy Assistance Program, Weatherization Assistance Component; the Community Services Block Grant Program; and other various states and federal programs for home improvement work.

Timetable for Consolidation

The DHS will execute WAP contracts with the subgrantees that have service areas targeted for consolidation. These contracts will commence July 1 and end no later than December 31. This limited contract period will avoid a disruption in WAP services, and allow each subgrantee the opportunity to complete necessary arrangements for the consolidation of its service area with other subgrantee(s). It is recognized that the consolidation of subgrantee service areas will involve such matters as the transfer of equipment, designation of application intake sites, and assignment of new staff. As a priority, this process must occur without a disruption in the provision of WAP services for each impacted service area.

The State Fiscal Year contracts for those subgrantees receiving new service areas will be amended no later than January of that Fiscal Year to incorporate new program and fiscal information.

DESIGNATION OF AGENCY SERVICE AREAS

Since the purpose of the weatherization program is to increase energy efficiency and conservation in dwellings of low income households and maximize energy savings, all areas of the state will be served in accordance with regulation 10 CFR Part 440.14(b)(9)(ii).

Community action agencies operate the WAP in Tennessee in specific service areas, which the appropriate public officials have designated. Likewise, service areas for human resource agencies have been defined by the Tennessee General Assembly in the Human Resource Agency Act of 1973. These service areas are recognized by the Department of Human Services when it determines the areas to be served by weatherization projects operated by either a community action agency or a human resource agency.

Designation of Subgrantees to Receive New Service Areas

Each subgrantee with a service area subject to the consolidation process will be given the opportunity to recommend the subgrantee(s) to receive its service area. The Board of Directors for each of these subgrantees may submit its recommendation in writing to the DHS by August 1 of that year. Where multiple counties are involved, the recommendation may concern more than one subgrantee. To be acceptable for review, however, all recommendations by the affected subgrantee Boards must only address the consolidation of contiguous service areas.

In addition, the DHS will consider recommendations submitted from WAP subgrantees with contiguous service areas to those targeted for consolidation. These recommendations must also be in writing from the Board of Directors of each agency, and must be received prior to the deadline date of August 1.

All recommendations received in compliance with the policies stated above will be considered by the DHS. The selection of the subgrantees to receive new service areas will be made by the DHS in accordance with DOE guidance, and the federal policy found at 10 CFR Part 440.15.

POLICY ADVISORY COUNCIL

General

The DHS WAP Policy Advisory Council (PAC) has been established in accordance with the requirement of 440.17, which states that:

1. Each member has special qualifications and sensitivity with respect to solving the problems of low-income persons, including the weatherization and energy conservation problems of these persons;
2. The Council's statewide representation of organizations and agencies includes consumer groups that represent low income persons, particularly elderly and handicapped low income persons; and
3. The Council has responsibility for advising the Department with respect to the development and implementation of the WAP.
4. Membership will be on a rotating basis and members may serve consecutive terms.

Membership

The current membership of the PAC consists of the following persons and organizations.

Amy Brake
Relative Care Givers Program
3203 Brick Church Pike
Nashville, TN 37208
Term: 01/01/08-12/31/10

Gloria Williams
Delta Human Resource Agency
PO Box 634
Covington, TN 38019
Term: 01/01/07-12/31/09

Theresa Corlew
Nashville Electric Service
1214 Church Street
Nashville, TN 37246
Term: 01/01/07-12/31/08

Delores Dockum
Nashville Gas
665 Mainstream Drive
Nashville, TN 37228
Term: 01/01/07-12/31/08

Mari Beth Farringer
Greater Nashville Council on Aging
95 White Bridge Road # 114
Nashville, TN 37205
Term: 01/01/07-12/31/09

Jeanie Fox
Knoxville Utility Board
P.O. Box 59017
Knoxville, TN 37950
Term: 01/01/07-12/31/08

Brenda Head
National Council on Aging
3761 Nolensville Road
Nashville, TN 37211
Term: 01/01/07-12/31/08

Brian Hensley
Economic & Community Dev.
312 8th Avenue North
Nashville, TN 37243
Term: 01/01/06-12/31/08

Commissioner Mike Hann (or designee)
Tennessee Commission on Aging & Disability
500 Deaderick Street 9th Floor
Nashville, TN 37243
Term: 01/01/06-12/31/08

Cecilia Waters
Knoxville Knox County CAC
P.O. Box 51650
Knoxville, TN 37950
Term: 01/01/06-12/31/08

Howard Richardson
Shelby County CSA
100 North Main Street, #1300
Memphis, TN 38103
Term: 01/01/06-12/31/08

WAP Program Specialist
Department of Human Services
400 Deaderick Street 14th Floor
Nashville, TN 37243
Term: Ex-Officio member

**STATE FY 2009 ESTIMATED ALLOCATION PLAN
WEATHERIZATION ASSISTANCE PROGRAM
JULY 1, 2008 - JUNE 30, 2009**

Federal Year 2009 Estimated Allocation	\$6,509,016
 Allocation	 \$ 4,162,066
less: State T&TA	(\$131,000)
less: State Admin. (4.13%)	(\$171,893)
 10% LIHEAP transfer	 2,649,843
 Available for Contracts	 \$6,509,016

Weatherization

**Available
for
Contracts**

\$6,509,016

Agency	County	%		Agency %	Agency \$
Blount County CAA	Blount	1.5215%		1.5215%	\$99,037
Bradley-Cleveland CSA	Bradley	1.4318%		1.4318%	\$93,195
Chattanooga HSD	Hamilton	4.8789%		4.8789%	\$317,566
Clarksville-Montgomery County CAA	Montgomery	1.9695%		1.9695%	\$128,193
Delta HRA	Fayette	0.5023%		1.8862%	\$122,775
	Lauderdale	0.5802%			
	Tipton	0.8037%			
East Tennessee HRA	Anderson	1.1932%		9.4427%	\$614,625
	Campbell	1.0290%			
	Claiborne	0.7298%			
	Cocke	0.8344%			
	Grainger	0.4427%			
	Hamblen	1.0261%			
	Jefferson	0.8038%			
	Monroe	0.7798%			
	Morgan	0.4278%			
	Scott	0.5465%			
	Sevier	1.2282%			
	Union	0.4012%			
Highland Rim EC	Dickson	0.6646%		1.3001%	\$84,622
	Houston	0.1504%			
	Humphreys	0.2780%			
	Stewart	0.2072%			
Knoxville-Knox County CAC	Knox	6.4527%		6.4527%	\$420,008
Metro Housing & Development Agency	Davidson	9.4300%		9.4300%	\$613,800
Mid-Cumberland CAA	Cheatham	0.4419%		7.2629%	\$472,745
	Robertson	0.7114%			
	Rutherford	2.5467%			
	Sumner	1.6096%			
	Trousdale	0.1281%			
	Williamson	0.9099%			
	Wilson	0.9154%			
Mid-East CAA	Loudon	0.5575%		1.4288%	\$92,999
	Roane	0.8713%			

Northwest Tennessee EDC	Benton	0.3429%		4.6656%	\$303,687
	Carroll	0.5752%			
	Crockett	0.2770%			
	Dyer	0.7523%			
	Gibson	0.7982%			
	Henry	0.5836%			
	Lake	0.1932%			
	Obion	0.5239%			
	Weakley	0.6194%			
Shelby County CSA	Shelby	18.8878%		18.8878%	\$1,229,412
South Central HRA	Bedford	0.6621%		6.5849%	\$428,609
	Coffee	0.8753%			
	Franklin	0.6107%			
	Giles	0.4797%			
	Hickman	0.4420%			
	Lawrence	0.7142%			
	Lewis	0.2196%			
	Lincoln	0.5250%			
	Marshall	0.4234%			
	Maury	1.0954%			
	Moore	0.0722%			
	Perry	0.1405%			
	Wayne	0.3250%			
Southeast Tennessee HRA	Bledsoe	0.2653%		3.3428%	\$217,585
	Grundy	0.3835%			
	Marion	0.4864%			
	McMinn	0.9219%			
	Meigs	0.2371%			
	Polk	0.2760%			
	Rhea	0.5463%			
	Sequatchie	0.2262%			
Southwest HRA	Chester	0.2737%		4.7106%	\$306,617
	Decatur	0.2410%			
	Hardeman	0.5845%			
	Hardin	0.6006%			
	Haywood	0.4232%			
	Henderson	0.4404%			
	McNairy	0.5055%			
	Madison	1.6417%			

Upper Cumberland HRA	Cannon	0.2163%		6.1067%	\$397,486
	Clay	0.1785%			
	Cumberland	0.8977%			
	DeKalb	0.3526%			
	Fentress	0.4651%			
	Jackson	0.2435%			
	Macon	0.4064%			
	Overton	0.3989%			
	Pickett	0.0983%			
	Putnam	1.1861%			
	Smith	0.2837%			
	Van Buren	0.1048%			
	Warren	0.8267%			
	White	0.4482%			
Upper East Tennessee HDA	Carter	1.1773%		8.6965%	\$566,054
	Greene	1.2053%			
	Hancock	0.2344%			
	Hawkins	1.0557%			
	Johnson	0.4191%			
	Sullivan	2.4977%			
	Unicoi	0.2931%			
	Washington	1.8139%			
	TOTAL	100%		100%	\$6,509,016

TENNESSEE WAP LOCAL AGENCIES FOR PROGRAM YEAR 2009
Includes Allocation Data for Estimated DOE funds only

Blount County Community Action Agency

3509 Tuckaleechee Pike
Maryville, Tennessee 37703
William Crisp, Executive Director
Mitzi Long, Coordinator

Telephone: (865) 983-8411

Fax: (865) 681-1781

Counties Served: Blount
Allocation: \$58,719
Type of Organization: Community Action Agency
Source of Labor: Private Contractor

Bradley-Cleveland Community Services Agency

P.O. Box 3297, 155 Sixth Street, S.E.
Cleveland, Tennessee 37320
Harry Johnson, Executive Director
Jackie Westfield, Coordinator

Telephone: (423) 479-4111

Fax: (423) 479-4113

Counties Served: Bradley
Allocation: \$55,255
Type of Organization: Community Action Agency
Source of Labor: Private Contractor

Chattanooga Human Services Department

Hamilton
501 West 12th Street
Chattanooga, Tennessee 37402
Bernadine Turner, Executive Director
Lloyd Cooper, Coordinator

Telephone: (423) 757-5551

Fax: (423) 757-5125

Counties Served: Hamilton
Tentative Allocation: \$188,284
Type of Organization: Local Government
Source of Labor: Private Contractor

Clarksville-Montgomery County Community Action Agency

350 Pageant Lane, Suite 307, PO Box 487

Clarksville, TN 37041-0487

Joel Riddle, Executive Director

Wendy Gray, Coordinator

Telephone: (931) 648-5774

Fax: (931) 648-5784

Counties Served: Montgomery
Tentative Allocation: \$76,005
Type of Organization: Community Action Agency
Source of Labor: Private Contractor

Delta Human Resource Agency

P. O. Box 634, 915 Highway 51 South

Covington, Tennessee 38019

Quincy S. Barlow, Executive Director

Gloria Williams, Coordinator

Telephone: (901) 476-5226

Fax: (901) 476-5258

Counties Served: Lauderdale, Fayette, Tipton
Tentative Allocation: \$72,793
Type of Organization: Human Resource Agency
Source of Labor: Private Contractor

East Tennessee Human Resource Agency

9111 Cross Park Drive, Suite D100

Knoxville, TN 37923

Gordon Acuff, Executive Director

Sharon Daugherty, Coordinator

Telephone: (865) 691-2551

Fax: (865) 531-7216

Counties Served: Anderson, Campbell, Claiborne, Cocke, Grainger, Hamblen, Jefferson, Monroe, Morgan, Scott, Sevier, Union
Tentative Allocation: \$364,409
Type of Organization: Human Resource Agency
Source of Labor: Private Contractor

Highland Rim Economic Corporation

P.O. Box 208 - 213 College Street

Erin, Tennessee 37061

Julia Presson, Executive Director

Lewis Hassell, Coordinator

Telephone: (931) 289-4101

Fax: (931) 289-5311

Counties Served: Dickson, Houston, Humphreys, Stewart

Tentative Allocation: \$50,172

Type of Organization: Community Action Agency

Source of Labor: Private Contractor

Knoxville-Knox County Community Action Committee

2247 Western Avenue, PO Box 51650

Knoxville, Tennessee 37950-1650

Barbara Kelly, Executive Director

Cecelia Waters, Coordinator

Telephone: (865) 546-3500

Fax: (865) 546-0832

Counties Served: Knox

Tentative Allocation: \$249,021

Type of Organization: Community Action Agency

Source of Labor: Private Contractor

Metropolitan Development and Housing Agency

701 South Sixth Street

Nashville, Tennessee 37206

Phil Ryan, Executive Director

Richard Giles, Coordinator

Telephone: (615) 252-8534

Fax: (615) 252-8533

Counties Served: Davidson

Tentative Allocation: \$363,920

Type of Organization: Local Government

Source of Labor: Private Contractor

Mid-Cumberland Community Action Agency

233 Legend Dr. Suite 103, PO Box 310

Lebanon, Tennessee 37088-0310

Kreda Yokely, Executive Director

Debbie Houser, Coordinator

Telephone: (615) 742-1113 or 1137 (615) 453-2243

Fax: (615) 742-3911

Counties Served: Cheatham, Sumner, Trousdale, Rutherford, Robertson, Wilson,
Williamson

Tentative Allocation: \$280,289

Type of Organization: Community Action Agency

Source of Labor: Private Contractor

Mid-East Community Action Agency

P.O. Box 43, 141 Odd Fellow Cemetery Road

Rockwood, Tennessee 37854

Jerry Johnson, Executive Director

Robert Scofield, Coordinator

Telephone: (865) 354-0450

Fax: (865) 354-0771

Counties Served: Loudon, Roane

Tentative Allocation: \$55,139

Type of Organization: Community Action Agency

Source of Labor: Private Contractor

Northwest Tennessee Economic Development Council

231 S. Wilson Street

Dresden, Tennessee 38225

John Bucy, Executive Director

Kathy Cooper, Coordinator

Telephone: (731) 364-3228

Fax: (731) 364-5163

Counties Served: Benton, Carroll, Crockett, Dyer, Henry, Lake Obion,
Gibson, Weakley

Tentative Allocation: \$180,055

Type of Organization: Community Action Agency

Source of Labor: Private Contractor

Shelby County Community Services Agency

100 North Main, Suite 1300
Memphis, Tennessee 38103-0513

Kaye Lawler, Executive Director

Brenda Murphy, Coordinator

Telephone: (901) 545-4630

Fax: (901) 545-3592

Counties Served: Shelby
Tentative Allocation: \$728,914
Type of Organization: Local Government
Source of Labor: Private Contractor

South Central Human Resource Agency

606 Lee Avenue, PO Box 638
Fayetteville, Tennessee 37334
James Coy Anderson, Executive Director

Emily Satterfield, Coordinator

Telephone: (931) 433-7182

Fax: (931) 438-0074

Counties Served: Bedford Coffee, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Marshall, Maury, Moore, Perry, Wayne
Tentative Allocation: \$254,121
Type of Organization: Human Resource Agency
Source of Labor: Private Contractor

Southeast Tennessee Human Resource Agency

1012 Resource Road, PO. Box 909,
Dunlap, Tennessee 37327

Ray Evans, Executive Director

Angela McBee, Coordinator

Telephone: (423) 949-2191

Fax: (423) 949-4023

Counties Served: Bledsoe, Grundy, Marion, McMinn, Meigs, Polk, Rhea, Sequatchie,
Tentative Allocation: \$129,005
Type of Organization: Human Resource Agency
Source of Labor: Private Contractor

Southwest Human Resource Agency

1527 White Ave., Highway 45 North

Henderson, Tennessee 38340

Mike Smith, Executive Director

Lisa Smith, Coordinator

Telephone: (731) 989-5111

Fax: (731) 989-3095

Counties Served: Chester, Decatur, Hardin, Hardeman, Haywood, Henderson,
Madison, McNairy

Tentative Allocation: \$181,792

Type of Organization: Human Resource Agency

Source of Labor: Private Contractor

Upper Cumberland Human Resource Agency

3111 Enterprise Drive

Cookeville, Tennessee 38506-4281

Phyllis Bennett, Executive Director

Marla Hale, Coordinator

Telephone: (931) 528-1127

Fax: (931) 526-8305

Counties Served: Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon,
Overton, Pickett, Putnam, Smith, Van Buren, Warren, White

Tentative Allocation: \$235,668

Type of Organization: Human Resource Agency

Source of Labor: Private Contractor

Upper East Tennessee Human Development Agency

301 Louis Street, P.O. Box 46

Kingsport, Tennessee 37662

Lois Smith, Executive Director

Pauletta Sensabaugh, Coordinator

Telephone: (423) 246-6180

Fax: (423) 578-6958

Counties Served: Carter, Greene, Hancock, Hawkins, Johnson, Unicoi, Sullivan,
Washington

Tentative Allocation: \$335,612

Type of Organization: Community Action Agency

Source of Labor: Private Contractor

ELIGIBILITY

Prior to the expenditure of funds, a dwelling unit must have an income eligible household as required under 10 CFR Part 440.22. Documentation of eligibility will be performed with the model application form contained in Exhibit A. To be eligible for WAP services, a household must meet the following requirements:

1. Income is at or below 125 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget (OMB) as reflected in the State Plan; or
2. Contains a member who has received cash assistance payments under Tennessee's Families First Program or the Supplemental Security Income (SSI) Program during the current or previous month relative to eligibility determination.

No dwelling may be weatherized without documentation of eligibility.

Income Guidelines

HHS Poverty Guidelines*
FY 2009

	Annual	Annual	Monthly
Size of Household	100% of Poverty Guidelines	125% of Poverty Guidelines	125% of Poverty Guidelines
1	\$10,400.00	\$13,000.00	\$1,083.33
2	\$14,000.00	\$17,500.00	\$1,458.33
3	\$17,600.00	\$22,000.00	\$1,833.33
4	\$21,200.00	\$26,500.00	\$2,208.33
5	\$24,800.00	\$31,000.00	\$2,583.33
6	\$28,400.00	\$35,500.00	\$2,958.33
7	\$32,000.00	\$40,000.00	\$3,333.33
8	\$35,600.00	\$44,500.00	\$3,708.33
For each additional member, add	\$3,600.00	\$4,500.00	\$375.00

*Federal Register / Vol. 73, No. 15 / Wednesday, January 23, 2008

DEFINITION OF INCOME

Refers to total annual cash receipts before taxes from all sources, with the exceptions noted below. Income data for a part of a year may be annualized in order to determine eligibility.

Sub-grantees should re-certify applicants on a waiting list for service at least annually as their eligibility may have changed due to the length of time that may have expired while awaiting weatherization services.

INCOME INCLUDES:

- money, wages and salaries before any deductions;
- net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
- regular payments from social security;
- regular payments from railroad retirement;
- unemployment compensation;
- strike benefits from union funds;
- worker's compensation;
- veteran's payments;
- training stipends;
- alimony;
- child support;
- military family allotments;
- other regular support from an absent family member or someone not living in the household;
- private pensions;
- government employee pensions (including military retirement pay);
- Black Lung benefits except for the first \$20 of each monthly benefit;
- regular insurance or annuity payments;
- college scholarships, grants, fellowships, and assistantships;
- dividends;
- interest;
- net rental income;
- net royalties;
- periodic receipts from estates or trusts; and
- net gambling or lottery winnings

INCOME EXCLUDES:

- capital gains;
- any assets drawn down as withdrawals from a bank, the sale of property, a house, or a car;
- one-time payments from a welfare agency to a family or person who is in temporary financial difficulty;
- tax refunds,
- gifts,
- loans,
- lump-sum inheritances;
- one-time insurance payments or compensation for injury;
- non-cash benefits, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits;
- food or housing received in lieu of wages;
- the value of food and fuel produced and consumed on farms;
- the imputed value of rent from owner-occupied non-farm or farm housing;
- Federal non-cash benefit programs as Medicare, Food Stamps, school lunches, and housing assistance;
- earnings of a child under 14 years of age;
- direct payments received by participants in the Foster Grandparents program;
- payments to VISTA volunteers;
- income received under Title V of the Older Americans Act;
- utility allowances provided to public housing and Section 8 tenants; and
- payments for child care services from DHS

Required Documentation

Each agency will be required to maintain a file on each client provided WAP assistance. This file will include documentation to establish the household's income eligibility or to indicate that a household member receives either SSI or Families First cash assistance payments in accordance with 440.16(a). Client income documentation, including microfiche, will remain valid up to twelve (12) months past the date(s) of the documentation. For example, if an August 15, 2007 check stub is used for eligibility purposes, the check stub will be valid as income documentation through August 14, 2008.

As appropriate, all agencies will utilize the current or previous month's SSI and Families First database through the DHS to verify and document income for categorical WAP eligibility. However, for those households that are categorical eligible, income information will be required on the client application form. This information is needed for reporting purposes to the U.S. Department of Health and Human Services. Food Stamp, SSI and Families First databases can verify WAP eligibility for a period of up to twelve (12) months. In situations where zero income is listed on a Food Stamp microfiche for a household, the database may be used as a sole source of income verification.

When documenting Social Security grants, all government and private pensions, and Section 8 rent subsidies, agencies may use written verification that is up to twelve months old, unless there has been a cost of living (or other) adjustment in the interim.

Determining Gross Monthly Income

The gross income from the current or previous month in relation to the date of application will be considered the applicant's gross monthly income. However, if the individual's employment status or rate of pay changes, then the current income must be considered rather than the income of the previous month. When income is received in other than regular monthly amounts, agencies will use the following methods to convert to monthly income:

Hourly income: Determine the hourly wage and multiply this amount by the number of hours worked according to the individual's usual work day to determine gross daily pay. Multiply the daily pay by the number of days worked in the individual's work week to obtain weekly pay;

Weekly income: Multiply the weekly income by 4.33 to determine monthly income;

Income paid every two weeks: Multiply the amount received each two weeks by 2.16 to determine monthly income;

Income received twice per month: Add the amounts received to obtain monthly income;

Irregular or seasonal income: In these instances, income fluctuates from month to month. It may be necessary to average income over several months, but at least the previous three months' (thirteen weeks) income should be considered. (This policy is applicable when a person works overtime on a regular basis). To allow for a reasonable degree of flexibility in this area, agencies may use documents that identify a year-to-date income amount in lieu of the requirement to secure a minimum of thirteen weeks of documented income. This is with the understanding that the year-to-date income documentation is dated within the current or previous month of the WAP application; includes income that is received in excess of thirteen weeks; and is used to average income over a pay period that is then annualized to determine eligibility.

Income from farm and non-farm self-employment: Since self-employment income is received on an annual basis, it is necessary to determine income and expenses in accordance with (a) and (b) below and convert to a monthly figure:

Net Income from Non-farm Self-Employment: Net income includes gross income minus operating expenses from one's own business, professional enterprise or partnership. Gross income includes the value of all goods sold and services rendered.

Expenses include costs of goods purchased, rent, heat, light, power, depreciation charges, wages and salaries paid, business taxes (not personal income taxes) and similar costs. The value of salable merchandise consumed by the proprietors of retail stores is not included as a part of net income.

Net Income from Farm Self-Employment: Net income includes gross income minus operating expenses from the operation of a farm by a person on his own account as an owner, renter or sharecropper. Gross income includes the value of all products sold, government crop loans, money received from the rental of farm equipment to others and incidental receipts from the sale of wood, sand, gravel and similar items. Operating expenses include the costs of feed, fertilizer, seed and other farming supplies, cash wages paid to farmhands, depreciation charges, cash rent, interest on farm mortgages, farm building repairs, farm taxes (not State and Federal income taxes) and similar expenses. The value of fuel, food or other farm products used for household living is not included as a part of net income.

If an applicant has a deficit income due to expenses being greater than the income from farm or non-farm self-employment, then the negative figure rather than zero must be included with other income when determining the household's gross monthly income.

Regular income obtained during a portion of the year: Some people have regular employment during certain months of the year. (Examples: school teachers, and school cafeteria and maintenance personnel). This income is to be treated as annual income.

Income from Unemployment Compensation: Unemployment compensation income must be considered as income that is received only during a portion of the year. Therefore, the number of remaining weeks of eligibility for this income (based on the date of the WAP application) multiplied by the weekly benefit amount will be the annual income from this source.

Applicants who receive unemployment income must be encouraged to present documentation which identifies their weekly benefit amount and the number of weeks for which they are eligible to receive the income. If the number of eligible weeks cannot be verified by documentation, the weekly benefit amount must be annualized for the determination of income eligibility.

As to the uncertainty of how long a person may receive unemployment benefits before securing a job or how long anyone may remain employed, no policy can be developed. Clearly, such uncertainties are beyond the control of reasonable policy efforts. The intent of the income determination policies for the WAP is to consider the income circumstances of an applicant's household at the time of the application.

Determining Gross Annual Income

Once the monthly income has been established, multiply by twelve (12) in order to obtain an annualized figure. The 125% OMB Poverty Guidelines will be used to determine if the individual or household meets income eligibility criteria in accordance to regulation 440.3 and 440.14 (b) (9) (xi).

Verification of Income

All income for the household or individual, including fixed income, must be verified and documented prior to the provision of services as required by 10 CFR Part 440.22. All income documentation will remain valid up to twelve months based on the date(s) of the income documentation and the commencement date for the WAP work.

Information concerning the verification of gross income must be recorded fully in each client's file. If provided by a person outside the household, it must include the name and relationship of the person who gave the verification, the date the verification was made, and the amount and source of the income.

If the relationship of the person providing verification does not indicate how he or she is in a position to know, then a written explanation must be provided in the client's file.

Also, documents of individual income verification must identify the applicant or a member of the applicant's household by either name or Social Security number.

Some acceptable sources for verification of income are as follows:

- Paycheck stubs (determine the period covered by the check stub and whether it is representative of usual pay);
- Copies of court orders or legal documents;
- Records of county or circuit courts;
- Award letters and benefits notices, including Notices of Disposition under the Food Stamps Program (when income information is not available from Department microfiche);
- Written, signed and dated statements from a person who regularly cashes checks payable to the applicant;
- Written, signed and dated statements of employers (except W-2 forms);
- Copies of income tax returns for self-employed persons;
- Bank or other financial institution records;
- Records maintained by self-employed persons;
- Oral statements of employers;
- Statements of relatives and friends (acceptable only when other sources of verification are not available);
- Families First, SSI and Food Stamp microfiche issued by the Department;
- Copies of Social Security benefit checks which are dated within the same calendar year as the date of application intake, provided such photocopies are made by applicants and not by agency staff; and
- Statements signed by applicants that list the date, number, amount, name and address of the payee on government issued checks when photocopies or photocopying equipment are not available.
- A self-declaration statement signed by a client may verify self-employment income. However, such a statement must include as a minimum the gross income, operating expenses (allowed by IRS), and net income of the client. Self-employment income differs from seasonal or irregular income in that the latter does not involve operating expenses allowed by the IRS.

Verification of Zero Income

It is necessary for an agency to obtain at least one confirmation of an applicant claiming no income. Some sources for agencies to use to verify zero income are: past employers; other agencies working with the family or individual; the Department's ACCENT system; and persons in a position to know the circumstances of the applicant. Statements of relatives and friends should be used only when other sources of verification are not available. All such documentation, when considered as a whole, must be reasonable and clearly indicate how the household is surviving without any cash income. Gifts of cash or in-kind contributions (food, clothing, etc.) are not considered as cash income.

However, in documenting an applicant's zero income status, all gifts (cash or goods to meet basic necessities) must be documented with the statement(s) of support and placed in the applicant's file. (See "model" Statement of Support form in Exhibit B). When determining eligibility for households which claim zero income, WAP agencies shall not accept statements of support when such statements are signed by members of other households which have been determined eligible for LIHEAP and/or WAP assistance based upon zero income.

Rental Dwelling Units

The eligibility of a household for weatherization assistance is determined by the level or source of income of the occupant or occupants, not by the ownership of the dwelling unit. Therefore, income eligible applicants who rent their homes as well as those who own their homes are equally eligible for weatherization assistance and should be treated accordingly by WAP agencies. Agencies will ensure that eligible renters are treated equitably with owners through the consistent implementation of the Priority Points System.

Before any rental dwelling unit can be weatherized, agencies must obtain the written permission of the owner or his/her agent. In addition, WAP agencies will ensure that:

Rents will not be raised because of the increased value of dwelling units due solely to the WAP assistance; and no undue or excessive enhancements will occur to the value of dwelling units weatherized through the WAP. Landlords are required to share in the costs of Weatherization of an eligible unit. Local contract agencies have the discretion to negotiate acceptable levels of participation. This could include performing needed HVAC repairs or replacements that will allow weatherization work to be performed in an otherwise "walk-away" unit or installation of minor weatherization measures such as caulking and weatherstripping, etc.

In order to ensure compliance with these policies, agencies are responsible for having the "Agreement for Provision of Services to Rental Units" form completed by the owner or his/her agent, and for including the completed agreement in the client's file. As contained in Exhibit C, this agreement is the means of regulating the weatherization of rental property under the WAP. The provisions of this agreement are requirements of the DOE. The primary purpose of this agreement is to protect tenants from rent increases caused by weatherization improvements. By signing this form, landlords agree not to raise rents "because of the increased value of dwelling units due solely to weatherization assistance provided." This document must be fully executed before any work is authorized for rental property. In addition, agencies are to provide each concerned tenant with a copy of the executed agreement.

Landlord Abuse

If a tenant believes that his or her landlord is violating the terms of the "Agreement for Provision of Services to Rental Units", then he or she should report the matter to the local WAP agency. The agency should then contact the client's landlord for a response. If the agency determines that the landlord's response is inadequate (does not justify a rent increase, etc.), then the agency should consult with the Department for further guidance. While clients are free to take legal action at any time, the Department requests that WAP agencies consult with State Office staff before taking any action against a landlord.

Other possible landlord abuses include attempts to profit from the program by:

- Eviction of low income tenants to raise rents and obtain more affluent tenants;
- Quick sale of a building at a price that includes the weatherization investment of the agency; and
- Deliberate movement of tenants from one unit to another to obtain more weatherization services.

Since local agencies are in a better position to observe and detect patterns that indicate such abuses, the Department expects WAP agencies to contact State Office staff when such abuses have been identified. The Department will provide guidance to agencies on a case-by-case basis.

While such problems may arise in serving renters, the Department expects WAP agencies to treat renters equitably with owners. Such treatment is mandated by the DOE that is committed to actually increasing the national percentage of renters served by the WAP. In Tennessee, proper implementation of the Priority Points System ensures equity in WAP services for renters and owners.

Multi-Unit Dwellings

Buildings with more than four (4) dwelling units are not eligible for WAP assistance in Tennessee. Also, before a two (2) to four (4) unit building may be weatherized, fifty percent of the dwelling units in the building must be eligible dwelling units, or will become eligible within 180 days under a Federal, State or local government program for rehabilitating the building or making similar improvements to the building.

For weatherizing multi-family buildings which meet the eligibility criteria, the entire building should be addressed using survey recommendations, the State's list of priority measures and going as far as building conditions warrant and allowable expenditure limits permit. The expenditure limit will be based on the actual number of eligible units.

The number of units reported as completed will also be the actual number of eligible units. For example, in a four-unit building with two units eligible, the following would be observed:

- Total expenditure limit: \$3,816 DOE funds;
- Units reported completed: two;
- Persons assisted: total occupancy of the entire building; and
- Energy savings: based on energy survey of entire building.

Undue or Excessive Enhancement of Rental Property

Since buildings with more than four (4) dwelling units are not eligible for WAP assistance in Tennessee, the Department and its subgrantees will not address financial participation from landlords of buildings who request assistance. However, if the Department changes its policy regarding buildings with five (5) or more units, the issue of undue or excessive enhancement in the value of rental property will be addressed.

Group Homes

Group home facilities, including shelters for the homeless, must be identified as dwelling units. If eligible as dwelling units, they must be addressed in accordance with the "Separate Living Quarters" definition that follows:

Living quarters in which the occupants do not live and eat with any other persons in the structure and which have either: (1) direct access from the outside of the building or through a common hall, or (2) complete kitchen facilities for the exclusive use of the occupants. The occupants may be related or unrelated persons who share living arrangements.

If the facility meets the separate living quarters criteria, then it must be considered a multi-family building. If it does not meet the separate living quarters criteria, it must be considered a single-family unit or as only one dwelling unit. The combined income for all the residents living as a family unit in the dwelling may not exceed 125% of the poverty level; or the family unit must contain a member who receives either Families First or SSI payments. If the facility is considered a multi-family unit, it must contain the minimum number of eligible dwelling units. The same expenditure limits and reporting guidelines apply as discussed above.

Individual Units

An individual apartment in a multi-unit building (regardless of the number of units) may be weatherized as a single unit after eligibility is established. It may be surveyed, weatherized and reported as a single dwelling unit independent of the entire building. However, agencies must make every effort to weatherize entire multi-unit buildings subject to the four-unit maximum, eligibility standards, prioritization procedures, tenant interest and owner approval.

Ineligible Dwelling Units

Regardless of household income eligibility, no WAP funds shall be used for the following purposes:

1. To weatherize a dwelling unit which is designated for acquisition or clearance by a Federal, State or local program within twelve (12) months from the date weatherization of the dwelling unit would be scheduled to be completed; or
2. To install or otherwise provide weatherization materials for a dwelling unit weatherized previously with WAP funds unless:
 - Such dwelling unit has been damaged by fire, flood or act of God and repair of the damage to weatherization materials is not paid for by insurance; or
 - Such dwelling unit was partially weatherized with DOE or other Federal funds prior to September 30, 1993. When considering these dwelling units for re-weatherization, the occupant must reapply for assistance and be certified as eligible. A new energy survey will be performed to determine which materials should be installed using present standards and taking into account the current condition of the dwelling unit. Dwelling units re-weatherized under this provision will not be reported to the Department as new completions but will be accounted for separately. However, eligible re-weatherized completions will be counted toward an agency's minimum number of WAP contracted units.

Note: The re-weatherization of dwelling units is subject to a cap. No agency may use more than 20% of its FY 2009 funding level for labor and materials to re-weatherize eligible dwelling units.

Allegations of Undisclosed Income

When WAP agencies receive third party contacts alleging undisclosed income by applicants and clients of the program, they are requested to use the "Report on Alleged Undisclosed Applicant and Client Income" (see Exhibit D) to report all such contacts to the Community Services Division Program Section of the Department. These reports will be forwarded to the investigative unit for further action. Only the income that is alleged as undisclosed and which is in addition to that listed on a client application must be reported to the Department.

Additional Eligibility Requirements

Agencies must clearly document in the client folder the circumstances surrounding the employment status of all adult household members. This is required for household member's eighteen (18) years of age or older.

Agencies must document the reason for any discrepancy between the owner/rental status forms and the WAP client application.

If a second party signs a client application or other required form for a particular client, agencies must clearly document answers to the following questions:

1. Who is the second party in relation to the applicant?
2. What circumstances required the second party to complete and/or sign the application and/or other pertinent forms for the applicant?

When a client receives income in other than regular monthly amounts, agencies must have documentation in the client's file, which indicates how the income was computed on either a monthly or annual basis.

Applicants are not required to provide documentation of their handicapped status. The issue of handicapped status for any WAP applicant is solely a matter of self-declaration based on the definition of "Handicapped Person" contained in this plan. As a result, intake and certification workers are not placed in the position of rendering a medical opinion concerning the physical or mental condition of WAP applicants.

Agencies will maintain the confidentiality of all persons who apply for assistance. Applicant information may be shared professionally only with the authorization of the client. This authorization must be supported by the Release of Information section of the Release of Information and Homeowner/Authorized Agent Certification form bearing the signature of the client or client representative (see Exhibit E).

Agency personnel and their relatives may apply for and receive WAP assistance, but only non-related agency staff may be involved with the intake of their applications and the determination of their eligibility. "Relative" is defined as including any of the following persons: husband, wife, father, mother, sister, father-in-law, mother-in-law, sister-in-law, brother, son, daughter, son-in-law, daughter-in-law and brother-in-law.

Agencies must ensure that any Indian Tribe or individual who wish to apply for and receive weatherization assistance shall be entitled to the process as any other person applying in accordance with 10 CFR Part 440.16(f)

Authorization must be granted by all property owners before weatherization services are provided. Any property which is served without the owner's permission could result in legal proceedings against an agency.

To avoid unnecessary problems in this area, agencies are to secure copies of documentation of ownership on all property to be served under the WAP. The documentation may be in the form of a deed, title, property tax record or other acceptable record. Also, the documentation must clearly indicate that the property is owned by the individual who grants or requests that the weatherization work be performed. This includes both owner-occupied and renter-occupied property.

For privacy purposes, owners may use an ink pen or other means to blacken portions of any documents which specify the price, payment schedule or other information not required to confirm ownership.

CLIENT EDUCATION

Client education will be provided to clients by the subgrantees and contractors. The state will provide a basic client education review sheet that is to be covered with all clients that will address their specific lifestyle and provide an opportunity to discuss specific issues noted during the client interview and home inspection. As standard health and safety issues are covered during the initial inspection, by the subgrantee, information will be provided on the measures that are scheduled to be installed.

Each local contract agency will budget a portion of its total WAP allocation for client education in energy conservation practices. DOE Training and Technical Assistance or LIHEAP Program Operations can be used to fund the Client Education component. Occupants of dwelling units that have been weatherized will be eligible for this service. In no case will an agency expend more than **\$200** of WAP funds per household for client education.

Agency staff will conduct an initial interview in the client's home and at least one follow-up home visit. The purpose of these visits will be to offer motivation and instructions to clients on how to reduce their fuel consumption through efficient energy consumption practices.

The DHS requires that all agencies participate in consumer education activities and perform the following:

1. Document client education visits;
2. Document energy conservation information provided to clients; and
3. Energy conservation education will be provided only to those households whose dwelling units have been weatherized with DOE funds.

The DHS will monitor the accomplishments of subgrantees in the area of Client Education.

Handout for All Clients

Agencies should develop a handout to provide basic energy conservation information to all clients. This handout will be designed to provide a simple, easy-to-understand explanation of what measures have been installed, how to maintain and/or operate them, and a list of safety and energy saving practices which a client may use to further reduce energy consumption. This handout must be approved by the Department at the beginning of each fiscal year.

The consumer education handout will be distributed to each client receiving Weatherization assistance with DOE funding. Each client will also be counseled by agency staff and the contractor doing the work to inform them of the work done, the purpose and value of the work when completed, and other tips that they may do to conserve energy and be more comfortable in their homes (EXHIBIT R and S).

Notification

Grantee must meet the below listed five notification requirements:

1. Distribution of a lead hazard information pamphlet.
2. Disclosure of lead-based paint and lead-based paint hazards.
3. Notices of Lead Hazard Evaluation or Presumption.
4. Notice of Lead Hazard Reduction Activity.
5. Distribution of a Mold & moisture pamphlet.

Lead Hazard Information Pamphlet - Under the current regulation, grantees must provide residents the EPA/HUD/Consumer Product Safety Commission (CPSC) lead hazard information pamphlet labeled “Protect Your Family from Lead in your Home” or an EPA-approved equivalent. EPA, HUD, and CPSC developed this pamphlet to inform the public of residential lead hazards. Staff must retain evidence of distribution as part of the client’s permanent record.

Notice of Lead Hazard Evaluation or Presumption - Under the new regulation, a grantee must provide or post a notice no later than 15 days after a lead hazard evaluation report has been received and lead-based paint or lead-based paint hazards found.

Mold and Moisture Pamphlet - EPA pamphlet “*A Brief Guide to Mold, Moisture, and your Home*”.

2009 HEALTH AND SAFETY PLAN

While energy efficiency is the primary goal of the WAP, local agency crews and contractors will address a full array of health and safety concerns during routine service delivery. Energy-related health and safety concerns need to be remedied before, or because of, the installation of weatherization materials. Measures and their costs must be reasonable and must not seriously impair the primary energy conservation purpose of the Program. This section of the State Plan is designed to provide subgrantees with guidance in developing protocols to address these hazards when identified.

In accordance with the DOE Program Guidance WPN 02-05 entitled Health and Safety Guidance, the state must, at a minimum, address the following components in any health and safety policy implemented in the WAP:

- *Grantee Health and Safety:* including remedial actions to abate certain health and safety hazards deemed necessary before or because of the installation of weatherization materials.
- *Crew and/or Contractor Health and Safety:* including OSHA compliance, material safety, protective equipment, safe equipment use, and first aid.
- *Customer Health and Safety:* including the health concerns of the occupants, the condition of the dwelling, and the effect of work to be performed.
- *Potential Hazard Considerations:* including the approaches that agency crews and contractors will take to determine if potential hazards should be remedied, referred, result in partial weatherization services, or cause weatherization services not to be provided.
- *Deferral Standards:* including the guidelines and conditions when a local agency can “walk-away” from a dwelling and defer work until certain conditions are met or corrected.

Program Guidance

Weatherization services must be provided in a manner that minimizes risk to workers and the low-income family members. Although the WAP does not provide all the solutions, awareness of potential hazards is essential to providing quality services. A list of the more common hazards and DOE’s preferred approach to them are discussed in the following section. Other energy-related hazards should be considered on a case-by-case basis.

Definitions

- *General Heat Waste Measures:* Measures that reduce or regulate air infiltration.
- *Health and Safety Measures:* Measures necessary to eliminate hazards which result from performing WAP protocols, cause damage to WAP materials, or are necessary to repair damage to a dwelling caused by WAP activities.
- *Incidental Repairs:* Repairs necessary for the effective performance or preservation of weatherization materials.
- *Lead Safe Weatherization (LSW):* LSW is a set of protocols to be used when disturbing surfaces that may have lead-based paint that will reduce and control the amount of lead dust and paint chips that are generated.
- *Weatherization Materials:* Those materials listed in Appendix A of the DOE Weatherization Assistance Program for Low Income Persons Final Rule, 10 CFR Part 440. Materials for incidental repairs do not have to be listed in Appendix A but should be at least equal to the industry standard practices.
- *Weatherization Measures:* Shell and equipment measures determined to be cost-effective and included in the service delivery protocols developed by LHFA and approved by DOE.

Sub-grantee Health and Safety

Funds will be set-aside from the WAP grant to remedy certain health and safety hazards, which are necessary before, or because of, the installation of weatherization materials in the homes of eligible low-income families. These health and safety protocols will be performed by the local agencies during the installation of direct weatherization services. Costs associated with the performance of health and safety measures will be recovered in accordance to the section entitled Cost Recovery. This policy was developed in compliance with DOE WPN 02-05 and addresses the common health and safety issues found in homes weatherized throughout Tennessee.

Crew and/or Contractor Health and Safety

The standards included here provide only general guidelines for health and safety concerns. Detailed specifications regarding worker health and safety are found in OSHA Safety and Health Standards (29 CFR 1926\1910) published by the U.S. Department of Labor. These standards are applicable to all workers providing services using funding under the DOE WAP program.

Basic safety rules are nothing more than common sense. Most accidents are caused by: careless attitudes, unsafe working conditions, improper use of tools, or improper lifting and can be prevented. At all times, the work site and structure should be checked for unsafe conditions before work begins.

Crews should always use the following safety tips:

Protective Gear – All crew members should wear hard hats, goggles with side eye protectors, gloves, respirator (especially for blown in insulation), and dust masks. Crews must accept responsibility for their safety by wearing this gear. For example: Nails that stick through the sheathing of the roof are dangerous. Wearing a hard hat while working in the attic can prevent nail scratches and penetrations around the head area.

Ladders - Many serious injuries are caused by the improper use of ladders. Keep ladders in good repair, and always check the ladder for broken rungs, steps and rails before using. Damaged ladders should be repaired or replaced immediately. Do not use boxes, chairs, or other items to lift the ladder off the ground. Set the ladder on a firm, level base at the proper angle. Do not set up ladders near doors or blind corners. If a ladder must be set up near a door, lock the door first. Do not overreach when on a ladder. Always keep the hips within the side rails. Do not leave tools on top of ladders. Keep tools in a bucket hooked to the ladder or on a tool belt. Always face the ladder when going up or down. Use caution when using metal ladder on metal roof with electrical wires.

Blowing Machines - Blowing machines should be used cautiously and correctly. Never use a blowing machine unless you have been taught to use it properly and safely. Electric blowing machines should always be grounded. Never use electric blowing machines when the ground is wet or during a storm. Use heavy-duty extension cords for lengths of more than 100 feet. Always disconnect the power supply before oiling the applicator or making any adjustments to the lines. Never put your hands in the hopper when the blowing machine is connected to the power supply.

Hand Tools - The improper use of hand tools causes many injuries on the job. The first and most important rule is to use the proper tool to do the job. Each tool is designed to do a particular job. Use tools for the job they were made for. Keep tools clean. Wipe away grease, dirt, caulk, etc. Lubricate moving parts to ensure good working conditions. Keep cutting edges sharp. Sharp tools are safer than dull tools, make work easier, improve accuracy and save time.

Power Tools - Power tools are not dangerous if used properly, but careless use can cause severe injury. Accidents with power tools happen so quickly that a finger can be lost before you feel the pain. Shock is also a hazard when using power tools. A fall caused by shock can cause serious injury. Use tools that are grounded. Report any shock caused by a power tool. This indicates a short that must be repaired. Never use defective power tools. Even minor defects can cause injury. Don't use power tools in wet areas. Don't use tools with damaged electric cords. Never use a power tool unless you have been taught to operate it properly. Wear eye protection when operating electric power tools. Use earplugs for loud power tools. Be sure the switch is off before plugging the tool into the circuit. Never talk to anyone using a power tool. Talking may distract the person long enough to cause an injury. Check for wiring or plumbing before cutting into walls.

Housekeeping - Good housekeeping prevents injury and saves time. Areas cluttered with insulation bags, plastic film and trash are hazards. Don't leave tools lying around. Tools should be returned to the toolbox or tool pouch. Ensure old batteries and other material wrappings are removed, place them in a trash bag or container. As loose-fill insulation bags are emptied and counted, place them in a container or another bag. Place all broken glass in metal containers. Never put broken glass in plastic bags. Remove protruding nails from wood immediately. Spilled grease or oil must be cleaned up immediately.

Lifting - Weatherization crews should know how to lift heavy objects correctly. Incorrect lifting causes strains, back injuries and hernias. Don't lift any more than you can handle. Set feet solidly with one foot slightly ahead of the other. Get as close to the object as possible. Bend knees no more than 90°. Keep the back straight. Bend at the hip and not at the back. Grip the object firmly and lift with your legs.

First Aid - Every crew member should know what to do when an accident happens. One person in each crew should be a graduate of a Red Cross First Aid Course. At a minimum, periodic first aid training should be provided to crew members. The following will introduce some basic do's and don'ts when injuries occur--it is not a substitute for taking a first aid course.

1. An industrial first aid kit (Red Cross approved) should be standard equipment for each crew. Always be aware of the locations of the first aid kit and fire extinguisher.
2. The phone numbers of a physician, ambulance, hospital emergency room, fire department, and weatherization office should be posted on the first aid kit and dashboard of each program vehicle.
3. Report all injuries - even minor ones - to the crew chief or program director.
4. Get medical attention when someone is injured. Have a responsible person go with the victim.
5. All crew members should have tetanus shots or boosters.
6. Call for medical help as soon as possible. Describe the injury and what is being done. If you are not sure what first aid is best, call the hospital emergency room. A doctor or nurse can advise.
7. Don't move the victim unless absolutely necessary.
8. Keep the victim lying down; the head level with the body, until the extent of the injury is known.
9. Look to control the bleeding.
10. Check to make sure the victim is breathing.
11. Keep the person warm and as comfortable as possible.
12. Don't give liquid to a semi-conscious person.
13. Use a knife to remove clothing when necessary.
14. Make notes on the accident. Find out exactly what happened. This is important for insurance purposes and to prevent similar accidents in the future.

Employee Training - New employees should not begin working in the field until training is provided. Training includes:

1. Conventional health and safety issues such as heavy lifting, safe ladder usage, electrical safety, power tools, other work practices, and conditions encountered in the weatherization program.
2. Use, maintenance, and importance of protective equipment such as eye and ear protection, respirator, and gloves.
3. Proper use of hazardous chemicals and substances such as foams, sealants, and cleaners in the weatherization work environment.
4. The Material Safety Data Sheets (MSDS) provided by suppliers that describe the method to properly handle potentially hazardous materials. Inform employees where the MSDS are located, how to understand their content, and how to obtain and use appropriate hazard information.
5. Safety meetings should be conducted monthly. The meetings should focus on issues of current importance, OSHA requirements, new information on safety procedures, or product related information.

Customer Health and Safety

At all times, the customer's health and safety is paramount during the installation of WAP measures. Typically, there are three health and safety concerns that are frequently encountered in the low-income homes that must be addressed:

- Health problems, and potentially life-threatening carbon monoxide levels, may result from improper balance of the mechanical systems in the residence, or from incomplete combustion in household combustion appliances. Additionally, other hazardous conditions may exist in combustion appliances that, if not corrected, pose risk to the occupant's health as well.
- Poor indoor air quality due to excess moisture and build-up of other indoor pollutants may cause immediate or long-term health problems.
- Electrical hazards causing injury and fire can result from uncovered wiring, unsafe service boxes, knob-and-tube circuits spliced into improperly, and other electrical code violations. When concerns arise at the time of audit, electrical inspections and repairs, by a licensed electrician, are required before Weatherization is done.

The DHS Health and Safety policies are designed to adequately address these typical situations within the scope of the Program. Other potential hazards (e.g., friable asbestos, radon gas, deteriorating lead-based paint, plumbing leaks, and bulk moisture problems) are mitigated to the extent possible using funds from other Weatherization, home repair, or rehabilitation programs.

Potential Hazard Considerations

The hazards described below were chosen for remediation because they represent life and health threatening problems common to low-income housing in Tennessee. Practical solutions are available to contractors at reasonable cost with existing technology and equipment.

To implement the Health and Safety Policy, local agencies will be required to purchase specific equipment to be used in the detection and identification of unhealthy or unsafe conditions. The DHS will provide guidance as to the individual protective gear and test equipment needed. This equipment will become part of the local agency's non-expendable inventory and controlled in accordance with inventory policies of the WAP.

The measures shown below are examples of health and safety conditions that must be addressed. This is not an exhaustive list but one provided for guidance purposes. Other reasonable activities under the definition of health and safety measures may be undertaken if they can be justified and performed under the financial limitations of the program or be paid for with other leveraged funds.

Biologicals

Removal of mold, odors, viruses, bacteria, unsanitary (including raw sewage) conditions, and rotting wood is not a Weatherization responsibility; however, program workers frequently encounter these conditions. DOE funds may be used if these conditions can be remedied to allow effective Weatherization work and/or to assure the immediate or future health of workers and customers. Caution should be taken when selecting air tightness limits for dwellings with these problems. Since these conditions are often related to moisture, the local agency should assess moisture conditions as a part of the audit procedure. If necessary, WAP services may need to be delayed until the problem can be referred to another agency that can take remedial action.

Combustion Appliances and Combustion Gases

Combustion appliances will be tested for both efficiency and safe operation of the unit. Carbon monoxide levels, smoke concentration, draft, and other safety features will be included in the testing protocol. The appliances to be tested include furnaces, boilers, space heaters, gas fireplaces, cook stoves, and water heaters. Gas appliances that exceed the acceptable levels for CO must be addressed. The agency will clean, tune, repair, or replace the appliance as needed. All Weatherization customers will receive educational information about CO and the dangers associated with it.

Agencies are advised that if a unit has CO readings that are above acceptable levels, the agency must advise the occupant of the dangers and the problem must be corrected prior to any Weatherization work being performed. If the customer cannot correct the problem or the agency is unable to address the problem using the IRP or Health and Safety funds and stay within the cost per unit averages, the unit must be deferred until further action can occur. The customer must be sent a letter advising them of the reason for the deferral of their application.

Typical measures that may be needed in order to mitigate an unsafe condition involving combustion appliances may include:

1. Cleaning, tuning, and testing of gas or oil combustion appliances including gas cook stoves.
2. Venting of un-vented water and space heaters.
3. Installation of required heating system safety equipment, including safety controls required by building codes.
4. Minor repairs or cleaning of heating system venting devices, including chimneys and flues.
5. Installation of ventilation equipment to assure adequate ventilation and moisture control.

Replacement of gas space heaters should occur only when the existing ones are in poor mechanical condition or pose health and safety risks. Such replacement should be with a vented gas space heater, where proper ventilation exists. Because of the potential for serious indoor air quality and moisture problems, the potential fire hazards, and that the user may not select the proper grade of kerosene, local agencies may replace the un-vented kerosene space heaters with a NG or LPG vented space heater. If this cannot be done, the agency may consider deferring the home until the heating system can be properly retrofitted. The following existing conditions may qualify a vented or un-vented space heater to be replaced as a health or safety measure:

1. Evidence of broken or rusted burners;
2. Missing components to promote heat radiance;
3. Open faced where the flame is exposed; or
4. Exceeds 25 PPM reading of Carbon Monoxide in ambient air

Building permits shall be secured, where required, (this is a materials cost as well). All space heaters will be installed to comply with all state and local codes and licensing requirements. All defective space heaters removed from a customer's home shall become the property of the agency and must be made inoperable and be properly disposed.

All dwellings, where the fossil fuel heating system is repaired or replaced, must have a carbon monoxide detector installed before the completion of the work. Carbon monoxide detectors must be installed per the manufacturers specifications which should be on the wall at eye level. The detector must be installed in an area where it can be heard in the bedrooms, even when the doors are closed. Do not install detectors within 15 feet of fuel burning appliances and do not install them in potentially humid areas like the bathroom or laundry room. The customers will be made aware of how the CO detector works and what to do should the unit begin to "beep".

Client education, including information on the proper operation of the equipment, shall be provided. Checks shall be made to insure that other components, like electrical wiring and chimneys, are in good condition and that no obvious building code violations or other safety hazards related to the space heating are evident.

Fire Hazards

Local agencies will inspect each dwelling unit to identify the existence of any condition that might be a potential fire hazard. This inspection includes: the inner and outer surfaces of the building; the electrical system (for obvious exposed or frayed wires, etc.); the area around combustion appliances; chimneys and other venting of appliances; and observed habits of the customers. When any fire hazard is identified, the crew must provide remediation if possible and inform the customer of the potential danger. If remediation cannot occur within the limits of the WAP, the local agency should determine whether the dwelling should be deferred until a remedy can occur. WAP Health and Safety funds may be used to perform limited electrical repairs to eliminate fire and safety hazards; clean and repair flues, chimneys, and appliance venting to abate dangerous conditions; and repair the shell of the unit to eliminate potential hazards.

All dwelling units must have working smoke detectors placed in strategic areas of the home. If no detectors are present or those present are beyond repair, the local agency may install battery-operated smoke detectors. Smoke detectors shall be installed outside of each separate sleeping area in the immediate vicinity of the bedrooms and on each additional story of the dwelling. All detectors shall be installed in accordance with the manufacturer's instructions.

Existing Occupant Health Problems

During the intake and again during the audit process, local agencies are required to interview the customer and determine whether any health problems exist that preclude the installation of certain Weatherization measures. Agencies should be aware that some individuals' health problems could be exacerbated by Weatherization activities. For example, some clients can be sensitive to dust generated from the installation of cellulose insulation.

There is also some concern that the use of blower doors could aggravate certain health problems, although the limited research conducted on this topic has not validated these concerns. Subgrantees should establish procedures to identify preexisting conditions (e.g., allergies) and address such problems when they are found. Those procedures should address the manner in which such problems will be identified and the steps to be taken to ensure that Weatherization work will not worsen these problems.

Indoor Air Quality

Asbestos - General asbestos removal is not approved as a health and safety Weatherization cost. Major asbestos problems should be referred to the appropriate state agency and/or the Environmental Protection Agency (EPA). Where local agencies work on large heating and distribution systems, including related piping, asbestos removal may be necessary. Removal is allowed to the extent that energy savings resulting from the measure will provide a cost-effective savings-to-investment ratio. This would normally be true with work done on large, multifamily heating systems.

Where permitted by code or EPA regulations, less costly measures that fall short of asbestos removal, such as encapsulation, may be used. Removal and replacement of asbestos siding for purposes of wall cavity insulation is permissible if allowed by state and local codes. Crews must take all precautions to ensure that no inhalation of dust takes place. Safety equipment must be worn at all times during the handling of asbestos materials.

Radon - Where there is a previously identified radon problem, work that would exacerbate this problem should be eliminated. Radon abatement is not an allowable activity under the Weatherization program. However, those costs associated with taking precautions in a dwelling known to have radon problems are allowable expenditures. These costs are allowable if an energy audit indicates that Weatherization techniques would help in radon remediation. Major radon problems should be referred to the appropriate local environmental organization or agency for mitigation or abatement.

Formaldehyde and Volatile Organic Compounds (VOCs) - Formaldehyde vapors may be slowly released by some new carpets, waferboard, plywood, etc. VOCs are also emitted by some household cleaning agents. Caution should be taken when tightening homes known to have VOC problems.

Lead Paint

Weatherization Program Notice 02-6, "Weatherization Activities and Federal Lead-Based Paint Regulations," provides guidance to states on Weatherization health and safety matters associated with lead-based paint in homes. Precautions that need to be taken (referred to in the Program Notice as Lead Safe Weatherization) may be charged as a Weatherization activity.

For pre-1978 buildings: If lead-based paint is assumed or found by testing to be present, and in the course of Weatherization, to be disturbed, lead safe Weatherization (LSW) practices must be used. The customer must be informed about the work to be done and encouraged to send children off-site while the work is taking place. A containment area, appropriate to the activity, will be set-up to confine dust to as small an area as possible. Crews will wear proper protective clothing and properly fitting HEPA respirators.

All cutting, drilling, or sanding will be performed through a wet surface technique to minimize dust. (see sections on Personal Protective Equipment, Hand and Power Tools, and Housekeeping Activities for further guidance). All materials used in the debris collection system must be removed in a lead-safe manner, the area thoroughly vacuumed using a HEPA vacuum, and wash and wipe down the area with a detergent solution.

All WAP work in pre-1978 housing are subject to the provision of a Federal regulation that requires agencies to give a notification to the occupants of the housing about the potential hazards of lead paint and lead paint dust. This notification applies to all entities who do renovation work and is required when more than two square feet of lead paint surfaces will be disturbed during weatherizing work. This requirement became effective June 1, 1999 and is published in the June 1, 1998 Federal register, Vol. 63, No. 104. This is an Environmental Protection Agency (EPA) Final Rule, 40 CFR Part 745 titled: Lead; Requirements for Hazard Education Before Renovation of Target Housing. Renovators are required to give a copy of the EPA booklet "*Protect Your Family from Lead in Your Home*" at least seven days prior to start of work. There are several specific exclusions like emergency repairs.

Building Structure

Building rehabilitation is beyond the scope of the WAP; however, program workers frequently encounter homes in poor structural condition. Dwellings whose structural integrity is in question should be referred to the state or federally funded rehabilitation office for assistance. Weatherization services may need to be delayed until the dwelling can be made safe for crews and occupants (see Deferral Standards).

Certain shell measures, like prime door, prime window replacements, or limited siding repair/replacement, may be necessary on certain openings to create safe egress or home security. Health and safety funds may be used to replace these items if the existing area of the home is beyond repair. This allowance cannot be construed as approval to replace doors and windows but simply an allowance to replace those that create an unsafe condition for the family.

Electrical Issues

The two primary energy-related health and safety electrical concerns are insulating homes that contain knob-and-tube wiring and identifying overloaded electrical circuits. Older electric wiring, primarily knob-and-tube wiring, located in a wall cavity or exposed on an attic floor was intended by code to have free air movement that would cool the wire when it is carrying an electric current. In 1987, Section 324 (article 324-4) of the National Electrical Code (NEC) was revised to prohibit the use of concealed knob-and-tube wiring "in the hollow spaces of walls, ceilings and attics when such spaces are insulated by loose or rolled insulating material." Laboratory tests have shown that retrofitting thermal insulation around electric wiring can cause it to overheat, resulting in a fire hazard.

The October 21, 1988, Weatherization policy guidance on knob-and-tube wiring remains in effect. When placing insulation around knob-and-tube wiring, the installation must conform to applicable codes in jurisdictions where the work is being performed.

Serious electrical hazards exist when gross overloads are present. Should auditors and crews find such existing problems, they must notify the owner immediately. WAP measures that involve the installation of new equipment such as air conditioners, heat pumps, or electric water heaters can exacerbate previously marginal overload problems to hazardous levels. The problem should also be noted in the customer file. To the extent that these problems prevent adequate Weatherization, the agency should consider repairing them on a case-by-case basis or, if too costly, deferring the property until the electrical problem is repaired.

Refrigerant & Air Conditioning Issues

The LHFA WAP does include the allowance of refrigerator replacement, air conditioning repair or air conditioning window unit purchase/installation in its standard service delivery package for some applicants for this fiscal year. The requirement to comply with the Clean Air act of 1990 must be followed. The local agencies are required to reclaim refrigerants and air conditioning units in accordance with the Clean Air Act 1990, section 608, as amended by 40 CFR 82, 5/14/93. The local agency, appliance vendor, de-manufacturing center, or other entity recovering the refrigerant must possess an EPA-approved section 608 type I license or an approved universal certification.

The guidelines for refrigerator replacement, HVAC unit repair or air conditioning window unit purchase/installation in this policies and procedures manual must be followed.

Moisture and Mold-Related Weatherization Procedures

The Weatherization Assistance Program does not encompass mold remediation. DOE funds are not to be used to test, abate, remediate, purchase insurance, or alleviate existing mold conditions identified during the assessment, the work performance period or the quality control inspection. Where multiple funding sources are used, the performance of any of the aforementioned activities must be expensed to a non-DOE funding source. However, DOE funds may be used to correct energy-related conditions and/or to assure the immediate health of workers and clients.

Weatherization of a home, and air-sealing in particular, could potentially increase the risk of moisture and mold in a home, thereby causing structural damage and/or health risk to the inhabitants. As well, existing mold could pose a health risk to both the inhabitants and the Weatherization crew.

Moisture Assessment

All homes should be checked for previous or existing moisture problems.

1. Mold in homes arises from conditions of excess moisture. During initial inspection, auditors are to assess the homes with special attention to the following signs:
 - a. Evidence of condensation on windows and walls indicated by stains or mold;
 - b. Standing water, open sumps, open wells, dirt floors, water stains, etc in basements. Also, check to see if firewood is stored in the basement and whether laundry is hung there to dry during the winter months;
 - c. Leaking supply or waste pipes;
 - d. Attic roof sheathing shows signs of mold or mildew
2. Identification of existing or potential moisture problems shall be documented in the client file.
3. If existing moisture problems are found, no air sealing should be done unless the source of the moisture can be substantially reduced or effective mechanical ventilation can be added to cost-effectively remove the moisture. In some cases, air sealing must be done in order to reduce the source of the moisture (i.e. sealing off crawlspaces from the house, or sealing attic leakage to eliminate condensation on the roof deck).
4. Because air tightening may cause an increase in relative humidity, client education should include information about moisture problems and possible solutions.

5. In the course of Weatherization, any low-cost measure that helps reduce the humidity levels in the house should be installed. Examples of these activities are venting dryers, venting existing bath or kitchen exhaust fans or installing moisture barriers on dirt floors.
6. A dwelling that has a CFM50 greater than the Building Tightness Limit (BTL) is no guarantee that moisture will not be a problem in that home.

Repair or Elimination of Moisture Problems

Repair of moisture problems that might 1) result in health problems for the client 2) damage the structure over the short- or long-term, or 3) diminish the effectiveness of the weatherization measure, must be done before the Weatherization job is completed.

1. Moisture problems can be reduced or eliminated by controlling the source of the moisture. This can involve:
 - a. Installing a plastic ground cover on a crawlspace floor;
 - b. Venting dryers to the outside of the building;
 - c. Sealing the foundation;
 - d. Providing positive drainage away from foundation;
 - e. Repairing the roof, flashing, gutter, and downspout;
 - f. Educating the client about the sources of moisture that they are able to control
2. Moisture problems can be reduced or eliminated by ventilating areas where excessive moisture is produced, such as bathrooms and kitchens. This should include installation of a high quality exhaust fan in the subject area and informing the client of the related moisture issues and the proper operation and use of the fan.

Dryer Vents

1. Electric dryers must be vented to the outdoors of the building whenever feasible; gas dryer vents must always be vented to the outdoors.
2. Mobile home dryer vents must be extended through the skirting to the outdoors.
3. Dryer vent ductwork should be smooth surfaced and, whenever possible, not exceed fourteen feet. No more than two 90 degree elbows may be used in the vent system. Relocation of dryers may need to be considered to meet this vent pipe-length limitation.
4. Flexible metal vent pipe may be used if it does not exceed six feet in length.
5. Gas dryer vent pipe should not be installed with sheet metal screws or other intrusive fasteners that will collect lint (according to NFPA 54).

Mold Protocols

Mold Assessment/Clean-up

All homes should be checked for mold during the initial inspection. Subgrantees should incorporate the form, ***Dwelling Inspection: Moisture and Mold Checklist***, (Exhibit U) into their routine auditing protocols. If a mold condition is discovered during the initial inspection of the home that cannot be adequately addressed by the Weatherization crew, then the dwelling unit should be referred to the appropriate public or non-profit agency for remedial action. As well, clients must be notified and informed of the presence of mold in their homes, and are to be given a copy of the EPA pamphlet – ***“A Brief Guide to Mold, Moisture, and your Home”***.

If the moldy area is less than 10 square feet (about 3 ft. by 3 ft.), the job will be assigned to the Weatherization crews. Professionals should be contacted when:

- a. The mold covers more than 10 square feet;
- b. There is evidence of extensive water damage;
- c. It is suspected that the heating/ventilation/air conditioning/(HVAC) system may be contaminated, i.e. there is mold near the intake of the system. The HVAC is not to be run, as it could spread mold throughout the house;
- d. The water and/or mold damage was caused by sewage or other contaminated water;
- e. There is a health concern.

If the moldy area is less than 10 square feet, the following steps may be taken:

- a. Eliminate or repair all moisture problems using the aforementioned moisture protocols;
- b. Scrub mold off hard surfaces with detergent and water, and dry completely;
- c. Absorbent materials, such as ceiling tiles and carpet, may have to be thrown away when they become moldy. Mold can grow on or fill in the empty spaces and crevices of porous materials, so the mold may be difficult or impossible to remove completely;
- d. Avoid exposing yourself or others to mold;
- e. Do not paint or caulk moldy surfaces. Clean up the mold and dry the surfaces before painting. Paint applied to the moldy surfaces is likely to peel;
- f. When unsure about how to clean an item, or if the item is expensive or of sentimental value, a specialist should be consulted;
- g. Avoid breathing in mold or mold spores. In order to limit your exposure to airborne mold, N-95 respirators are recommended when working in moldy areas;
- h. Wearing long gloves that extend to the middle of the forearm is recommended;
- i. Wearing goggles that do not have ventilation holes is recommended; and
- j. Revisit the site(s) shortly after clean-up to make sure that it shows no signs of water damage or mold growth.

Deferral Standards

The decision to defer WAP services to an eligible low-income dwelling unit is also referred to as “walk-away” policies. To walk-away from a dwelling unit without providing WAP services is difficult but necessary in some cases. Many problems encountered in low-income housing are beyond the scope of the WAP. Walk-away does not mean that assistance will never be available; however, work must be postponed until certain problems can be resolved or alternative sources of assistance can be identified and secured.

Existing conditions under which a dwelling unit can be deferred until certain corrective actions occur include, but may not be limited to, the following:

- Elevated carbon monoxide levels where abatement is not possible using WAP funds;
- Existing moisture problems that cannot be resolved under the health and safety limits;
- Unlawful activities are occurring in the dwelling that could endanger the customers or the crews. (See Exhibit X for policy on Methamphetamine labs);
- House with sewage or other sanitary problems that not only endanger the customers but the workers who will perform the Weatherization work;
- Occupant’s health condition;
- Building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent and these conditions cannot be resolved in a cost effective manner;
- Customer is uncooperative, abusive, or threatening to crew, subcontractors, auditors, inspectors, or others who must work on or visit the house;
- Any existing condition that could endanger the health and/or safety of the work crew or subcontractor and cannot be safely abated;
- When toxic substances are discovered which cannot be addressed by the WAP, the coordinator should report the problems to the client and indicate that activity must cease until the identified condition has been corrected. There may include the existence of lead-based paint or asbestos containing materials that would have to be disturbed during the installation process.
- When structural, wiring or plumbing problems exist which make the project unfeasible, the client should be notified of the problem(s) and no further Weatherization activities should occur until such time as these conditions have been adequately addressed.

- When a dwelling is infested with insects, rodents, etc., activities should cease until the condition has been remedied. If this activity is undertaken with Health and Safety funds, the sub-grantee must be mindful of the dangers to the client and Weatherization personnel. The client should be consulted regarding sensitivity to insecticides, etc. No condition should be created which endangers the client or Weatherization personnel.
- When a dwelling is on the market, no weatherization activities are allowable.
- Homes using un-vented gas heaters as a primary heating source are not eligible for services until suitable measures have been accomplished to minimize the health and safety risks associated with un-vented heating systems.

When postponement or “walk away” policy of Weatherization services is necessary, the subgrantees must take the following actions immediately.

1. Clients must be informed immediately both verbally and in writing with certified, return receipt mail of any serious imminent hazards.
2. Clients must be informed of any no-cost or low-cost immediate measures that should be taken to mitigate the hazard.
3. Clients should be advised about and referred to alternative funding sources such as the HOME program, CDBG or other HUD programs.

Postponement of services does not mean that the case is closed. The deferral of an eligible dwelling unit must be properly documented so that no confusion exists about why WAP services were postponed. At a minimum, the following information must be documented for the local agency’s records:

- Customer’s name
- Dwelling unit address
- Date of the energy audit/assessment
- Clear and concise description of the problems encountered in the home
- Conditions under which Weatherization could continue
- Agency representative responsible for determining deferral status
- Responsibility of all parties involved in resolving the issue(s)
- Customer(s) signature(s) and date indicating that they understand that the home was deferred and when they were informed of their rights and options

All agencies should aggressively pursue alternative funding to reduce the occurrences of deferral. Agencies should establish open lines of communication with as many other funding sources as possible so that referrals can occur in an efficient manner. The following is a list of potential funding sources to help remedy situations in the home:

- U.S. Department of Housing and Urban Development (HUD) - HOME Program
- HUD – Community Development Block Grant
- U.S. Department of Health and Human Services – Community Services Block Grant
- U.S. Department of Agriculture - Rural Economic Community Development
- State-funded housing and rehabilitation programs
- Low-income program funds provided by local utilities
- City-funded housing and rehabilitation programs
- Donations or financial participation from landlords
- Donations from local churches or community groups
- Donations from local businesses, non-profit organizations, or local associations

COST RECOVERY

The cost of health and safety measures can be recovered from the DOE Health and Safety fund categories of the contract. The cost of the incidental repairs will include both the materials, and the labor necessary to install those materials in a professional manner and in compliance with manufacturer's specifications. The amount of funds is limited to a maximum of 10% of the total **(DOE and LIHEAP Material & Labor)** provided in the contract.

Health and Safety costs are not included in the calculation of the average cost per unit or the savings to investment ratios in the NEAT audit protocol. DOE has advised States that they are reviewing the Health and Safety program component with the possibility of placing a cap on the amount of DOE funds that can be expended in this program component. Until the decision is made, DOE has encouraged States to be prudent in their oversight of the percentage of funds approved for Health and Safety mitigation on homes weatherized by their local agencies.

At this point in time, Tennessee's approved plan with DOE includes Health and Safety costs of 10% of the DOE materials and labor budget. This amount will remain in effect until DOE has made their final decision regarding funding for the Health and Safety program component. In addition, agencies may use up to 10% of the LIHEAP materials and labor budget for Health and Safety costs as necessary. Agencies should, however, begin to explore ways to reduce the number of Health and Safety measures applied to each house with federal funds.

To implement the Health and Safety Policy, local agencies may be required to purchase specific equipment to be used in the detection and identification of unhealthy or unsafe conditions. The DHS will provide guidance as to the individual protective gear and test equipment needed. Property accountability will be maintained by the subgrantees.

The following health and safety materials, equipment, incidental accessories and items associated with these will be allowable expenditures:

1. Costs associated with the repair of existing heaters by qualified contractors;
2. Duct Work Replacement (small sections only) and necessary incidentals;
3. Exhaust Fans and Electric Ventilators (for moisture related problems);
4. Vent Pipe Replacement (small section only) and necessary incidentals;
5. Diagnostic equipment and/or training to aid in the identification of gas leakage, asbestos, radon, lead-based paint, where applicable according to the DOE;
6. Insecticide to make Weatherization activities safe for personnel as well as to improve conditions for the client;
7. Minor repairs and cleaning of vents, heaters, and chimneys;

8. Installation of vapor barriers;
9. Repair or replacement of faulty water heaters;
10. Installation, replacement, or repair of dryer venting;
11. Installation of Carbon Monoxide Detectors to enhance health and safety issues for clients and;
12. Repair or replacement of heating and/or air conditioner systems to enhance the temperature of the homes weatherized.

TRAINING AND TECHNICAL ASSISTANCE

The DHS will budget sufficient funds for state level and local training and technical assistance activities (T&TA). During FY 2009, each sub-grantee will receive a base amount of \$5,000 plus supplemental funding to be used for T&TA activities. **These T&TA funds must be used only for training and technical assistance activities. Per DOE requirements, any unexpended T&TA funds will be recouped by the Department and used to weatherize homes in the next contract period.** T&TA activities at the state level will be contracted through the State Office in consultation with DOE's National Energy Technology Lab (NETL).

Training may be provided on the topics below and/or other program specific topics as the need arises:

- Air sealing
- Appliance Replacement
- Blower door and diagnostics
- Insulation methods
- Health and safety activities
- CO Testing and combustion
- Radon
- Furnace inspections, repairs, tune-up
- Furnace replacement
- Lead-safe weatherization
- Heating and cooling system assessment
- Consumer education
- Sub-contractor training and management

In addition to the above, other activities will involve the following:

1. DHS program staff will periodically contact subgrantee staff to solicit T&TA needs, and will review monitoring reports to target program areas requiring additional training for correction and improvement. Additionally, DHS program staff will coordinate with monitoring staff to assess T&TA activities, and determine if changes in their activities are necessary to improve subgrantee performance.
2. The DHS energy program staff will be available to subgrantees during the development of their WAP budget and contracts with the State and to provide technical assistance during the program year.
3. DHS personnel and subgrantees, as appropriate, will take advantage of DOE national and regional training activities. Additionally, training opportunities and technical assistance will be provided through consultants and DHS staff. It will be mandatory that subgrantees utilize T&TA funds to participate in training activities.

4. WAP contractors are responsible for the training of their contractors. This training may be provided through any combination of agency, state, and national training events. Contractors should receive training in the proper use of blower doors, Priority Measures development, NEAT and MHEA computer software, combustion analyzers.
5. DHS program staff will coordinate with fiscal staff to monitor and assess the production of each subgrantee. As part of the assessment process, subgrantees will be required to collect and report energy savings data for each unit served. When the production level of any subgrantee falls below an acceptable level or concerns with customer energy savings occur after weatherization services are provided, appropriate T&TA will be identified and provided to correct the situation.

LIHEAP/WAP CLIENT REFERRAL SYSTEM

In accordance with legislation enacted by the Tennessee General Assembly in May 1984, applicants of the State's LIHEAP will be afforded priority in the WAP in the following manner:

1. Award of five (5) points by the WAP Priority Points System; and
2. Implementation of a Client Referral System between the LIHEAP and the WAP.

Implementation

Responsibilities of LIHEAP Agencies

1. Application intake workers will briefly describe the services available under the WAP and inquire if LIHEAP applicants are interested in the WAP and desire to be referred to it. In addition, intake workers will provide interested LIHEAP applicants with a fact sheet (see Exhibit G) that briefly describes the WAP to which they are being referred and the services it provides.
2. Those LIHEAP applicants who indicate an interest in the WAP and request to be referred will be listed on a separate log.

The log of LIHEAP applicants to be referred to the WAP will be delivered to and maintained by the central office staff of each LIHEAP agency. Photocopies of the applications listed on the above log will be made and forwarded to each appropriate WAP agency by the 30th of the month for the preceding month in which the LIHEAP applications are received.

Responsibilities of WAP Agencies

Agencies will process the WAP applications of LIHEAP referred and non-LIHEAP referred applicants in the same manner. However, photocopies of LIHEAP applications of LIHEAP referred applicants may serve as WAP applications until WAP agencies are able to assist these applicants. When funds are available and when an audit can be performed to provide assistance, agencies must complete standard WAP applications for these applicants.

After eligibility determination, approved regular and LIHEAP referred WAP applications will be prioritized together in accordance with the Priority Points System.

All WAP agencies will report to LIHEAP agencies on a monthly basis the number of LIHEAP referrals who have received energy audits and/or weatherization assistance. The deadline for submitting such monthly reports will be the 10th of each month for the previous month's statistics.

Priority Point System

Priority is given to identifying and providing weatherization assistance to elderly and disabled low income persons, low income families with children under the age of six years, and high energy consuming dwelling units according to the following standard statewide prioritization procedures. These procedures are based upon a Priority Point System in which points are assigned as follows:

Income Based on Family Size (20 points maximum)

% of Federal Poverty Guidelines	Points
0-50%	20 points
51-75%	15 points
76-100%	10 points
101-125%	5 points

Energy Burden (20 points maximum)

% of income used for home energy costs	Points
14% or higher	20 points
9-13%	15 points
4-8%	10 points
3% or less	5 points

Vulnerable Household Members (75 points maximum)

Household with:	Points
Elderly (60 +)	15 points
Disabled	15 points
Children under 6 years of age	15 points
APS referral	5 points
Households with six (6) or more persons	5 points
LIHEAP applicant (current fiscal year)	5 points
Household has been on waiting list more than 1 year	5 points
Household has been on waiting list more than 3 years	15 points

The purpose of the Priority Point System is to assist agencies in identifying the dwelling units most in need of weatherization assistance according to the established priorities. If an agency has 70 applications on hand from one county and only enough funding to complete 40 dwelling units, obviously some applicants will not be served with funds currently available. The Priority Point System provides a consistent means of evaluating and selecting which clients can be served and in what order.

Priority System Implementation

Applicants will be served according to the points awarded to their applications under the Priority Point System. Those applicants with the highest number of points will be served first. Subgrantees will reprioritize all applications received, but not served, during intervals no greater than six (6) months in duration. Also, all applicants will be notified of their eligibility status and factors concerning the timely delivery of WAP services within 90 days of submitting their completed applications. Any new applications received after a required reprioritization activity has been concluded will not be ranked until the next scheduled reprioritization activity. Client applications should be re-certified 12 months from the date of the original application or the date of the last re-certification as eligibility may change due to the length of time that the client has been waiting for weatherization services.

Local agencies must maintain documentation that clearly identifies and demonstrates how each applicant was assigned points and ranked in relation to all other applicants who were prioritized at the same time (see "standard" form in exhibit H). Additionally, all points awarded under the Priority Points System must be based on the information provided at the date of the WAP applications, unless relevant conditions change prior to the award of points.

Priority order for weatherizing entire multi-unit buildings is determined by the priority order of the first household determined eligible. Since it is more cost effective to weatherize an entire multi-unit building at the same time, agencies should first determine if any of the other households residing within the building are interested in and eligible for the WAP before requesting a survey.

High Energy Burden (percent of income used for home energy costs) is determined to exist when documented household home energy costs exceed 14% of household income. The calculation of each household's energy burden must be documented by local agencies. This may occur with the use of the sample form on page 66.

Regardless of the method of documentation utilized, the following policies are to be observed:

1. For home delivered energy costs (i.e., coal, fuel oil, kerosene, L.P. gas, and wood) the actual energy bill(s) or documentation from the energy supplier(s) are to be used. The bill(s) or documentation must concern fuel deliveries made to a household during the twelve-month period immediately preceding the date of application. Applicants should include the bill(s) or documentation with their applications when applying for assistance. Local agencies will have the discretion to establish deadline dates for the submission of the energy cost documentation, if the documentation is not submitted with the application for assistance.
2. For electric and natural gas usage, the actual energy bill(s) or documentation from the energy supplier(s) for a one (1) month period during the twelve months immediately preceding the date of application are to be used. **For example**, if an application is received on August 5, 2007, documentation of an electric bill for the month of January 2007 and of a natural gas bill for the month of December 2006 may be used to calculate the energy burden. If the energy costs are included as part of a rental payment, a statement from the landlord will be acceptable. The total amount of the bill(s) or documentation is to be annualized by multiplying the amount by 12. Applicants should include the bill(s) or documentation with their applications when applying for assistance. Local contract agencies will have the discretion to establish deadline dates for the submission of the energy cost documentation, if the documentation is not submitted with the application for assistance.
3. As provided by this State Plan, documentation of zero income must indicate how a household is surviving without any cash income. If this condition is met and no evidence of cash income is available, it is to be assumed that the household had adequate resources to meet its most recent energy costs. Therefore, the total energy costs calculated for an applicant household in accordance with the Priority Points System is to be considered as income available to the household. This will result in an automatic energy burden of 100% for all households with zero income.
4. To be eligible for input in determining the energy burden of a household, the energy costs must represent expenditures that are the responsibility of the household. Cash assistance from another program that is provided directly to a household and used for documented energy expenditures is eligible for inclusion in determining the energy burden of the household. **For example**, if a \$100 benefit is provided directly to a household by a private charity, and the benefit is used to purchase a wood delivery during the twelve-month period immediately preceding the date of application, the documentation of the benefit may be used to calculate the household's energy burden.

However, any energy costs which are paid directly to an energy supplier by another program, and which are not part of a household's energy expenditures may not be included in determining the household's energy burden. **For example**, if a \$100 benefit is provided directly to a wood supplier for a household by a private charity, the benefit may not be used to calculate the household's energy burden.

The amount of any costs for home delivered energy and the annualized amount for electric and natural gas costs are to be added together; divided by the total documented income of the household; and then multiplied by 100. See the formula below:

$$\frac{\text{Total Documented Energy Cost}}{\text{Total Documented Household Income}} \times 100 = \text{Energy Burden Percentage}$$

The failure of an applicant to submit energy cost data for the calculation his/her energy burden will not result in the denial of the application. However, the possibility of assistance, as well as the level of assistance, will be impacted.

SAMPLE FORM FOR THE CALCULATION OF ENERGY BURDEN

(Name of Applicant)

(Address)

(City/State/Zip Code)

Documented Costs for Energy Sources (Enter Amounts):

Coal: \$_____

Electricity: \$_____

Fuel Oil: \$_____

Kerosene: \$_____

L.P. Gas \$_____

Natural Gas: \$_____

Wood: \$_____

Formula to Calculate Energy Burden:

\$_____ (Total Documented Energy Cost) Divided by
the \$_____ (Total Documented Annual Income for the
Household) Multiplied by 100 = ____% (Energy Burden Percentage)

ASSISTANCE AND BUDGET REQUIREMENTS

Expenditure Limitations

For FY 2009, the total average cost per unit DOE (\$2,966). This is an average annual cost which means some completed houses may be done at a higher cost and some at less than this amount. Dwellings that require additional repairs or measures beyond **\$3,966** will require DHS approval in writing prior to work being completed.

Administrative Costs

WAP agencies are authorized to budget up to **5.87%** of their total FY 2009 allocations for administrative costs subject to the Department's approval.

Client Education

Each agency must budget expenditures for specific consumer energy conservation education activities. The maximum limit on these expenditures will be **\$200** per household served. Consumer education expenditures will be included in the T&TA budget or the LIHEAP Program Support costs.

Those agencies must include a description of their client education activities in their program narratives.

Training and Technical Assistance (T & TA) Funds

The T & TA funds allocated to each agency will allow staff to purchase necessary training. This training and/or technical assistance could include the following: training in the use of blower doors, NEAT Audits, and combustion analyzers; training in lead safe Weatherization protocols; attendance at state and federally-sponsored training conferences; other program operations related to improving the delivery of WAP services. These funds may be used to assist in training contractors in the above measures and activities as applicable. **Special Note:** From time to time the state may schedule special statewide training and invoice the subgrantees for related costs. **T&TA funds may only be used for these specific activities and unused T&TA funds will revert to the Department to weatherize additional houses in the next contract period. T&TA funds may not be used to purchase vehicles or equipment.**

PROCEDURES FOR DETERMINING COST EFFECTIVE MEASURES

Subgrantees will use Energy Survey Reports to identify the priority measures to be installed in eligible dwelling units. The Home Energy Assessment Checklist developed by the Association of Home Energy Conservation Professionals is the recommended survey instrument.

In addition, all subgrantees will use the National Energy Audit (NEAT) computer software, supplied by the DOE, as part of the energy survey of each unit served by the WAP when priority measures have been installed and an assessment of additional Weatherization activities is required. If dwelling unit conditions allow, agencies are to use the blower doors as part of the overall survey process.

PRIORITY LIST FOR SINGLE-FAMILY HOMES

While the recommended measures vary depending on a number of variables, the weatherization measures that will be generally cost effective in single-family homes can be summarized as follows:

Air Sealing

Air sealing work should generally be guided by use of the blower door and digital manometer. The most effective infiltration reduction efforts typically involve sealing leaks between the conditioned space and the unconditioned attic, and between the conditioned space and the unconditioned crawl space. In the attic, use two-part urethane foam spray or other sealant around plumbing and electrical penetrations of the top plates of exterior and partition walls. Insulation board or other rigid sheet products can be used with two-part foam or caulk to seal the tops of balloon-framed wall cavities. Use sheet metal and high-temperature sealant to seal leaks in the attic floor around chimneys and furnace, boiler, and water heater venting. Similarly, plumbing and electrical floor penetrations should be sealed from the crawl space with two-part foam or other sealant.

If not already in place, protocols should be developed to tell crews and contractors when to stop air sealing because either the building tightness limit has been reached or further air sealing work will not be cost-effective. Table 1 shows the maximum that can be cost effectively spent to reduce infiltration 100 cubic feet per minute at 50 Pascals (CFM₅₀) in different Tennessee climates.

Maximum Air Sealing Cost per 100 CFM₅₀

Space Heating Fuel/ Equipment	Region 1 (Memphis)	Region 2 (Nashville)	Region 3 (Chattanooga)	Region 2 (Knoxville)
Natural Gas	\$41 / \$50*	\$45 / \$52*	\$42 / \$47*	\$49 / \$53*
Propane	\$116 / \$126*	\$101 / \$107*	\$93 / \$99*	\$102 / \$106*
Oil	\$61 / \$71*	\$63 / \$77*	\$56 / \$61*	\$63 / \$67*
Electric Resistance	\$55 / \$65*	\$68 / \$75*	\$51 / \$56*	\$61 / \$66*
Heat Pump	\$36	\$40	\$30	\$34

*without air conditioning / with air conditioning

For households with 1 to 5 occupants, the Building Tightness Limit is 1,500 cubic feet per minute at 50 Pascals (CFM₅₀).

For households with more than 5 occupants, multiply the total occupancy by 300 CFM₅₀.

Smokers count as two people. Large or multiple pets should be counted as occupants.

When the structural integrity of the house prohibits use of the blower door, attic by-passes and floor leaks can still be sealed using the methods described above. However, since the cost effectiveness of air sealing efforts cannot be verified through testing, only the typical (e.g., around plumbing, electrical, and furnace venting penetrations) and most obvious leaks should be sealed. If the attic is not structurally sound enough to carry the additional weight of workers or insulation, the house may be beyond the ability of the WAP to help. Even if blower door testing is not feasible, the National Energy Audit Tool (NEAT) can still be used to select other cost-effective weatherization measures by entering a rough estimate in the *Post Infiltration Reduction/Target* field under the *Ducts & Infiltration* tab.

Attic Insulation

Attic by-passes should be sealed prior to the installation of attic insulation. The amount of attic insulation that can be cost effectively added depends on the level of existing insulation and type of space heating fuel:

Natural Gas, Propane, or Fuel Oil Heating:

If existing insulation is less than R-19, insulation can be cost effectively added up to a final value of R-30.

If existing insulation is R-19 or more, it is not cost effective to add any attic insulation.

However, if blown cellulose insulation is being added AND at least half of the attic area has less than R-19 of existing insulation, the entire attic may be brought up to R-30.

Electric Resistance Heating:

If existing insulation is less than R-23, insulation can be cost effectively added up to a final value of R-38.

If existing insulation is R-23 or more, it is not cost effective to add any attic insulation.

However, if blown cellulose insulation is being added AND at least half of the attic area has less than R-23 of existing insulation, the entire attic may be brought up to R-38. To ensure adequate attic ventilation, building codes usually recommend one square foot of vent for every 150 square feet of attic floor. Outside air can be drawn through the attic by locating half of the vent area high (e.g., ridge vents) and the other half low (e.g., soffit vents). If the attic vents are equally split between high and low, one square foot of vent is needed for every 300 square feet of attic floor. In addition to attic ventilation, costs for attic insulation may include **limited** expenses for repairing roof leaks, patching ceilings, and installing attic access.

Wall Insulation

If walls are not currently insulated, blowing wall cavities with densely packed cellulose is cost effective in all areas of Tennessee, regardless of the heating fuel. If the walls have existing insulation, the Weatherization coordinator must determine if it makes sense to dense-pack them with additional insulation. The R-value provided by the existing wall insulation reduces the energy savings potential of the dense-packing measure, thereby lowering the cost effectiveness. Existing wall insulation can also make it harder to dense-pack walls by causing obstructions in the wall cavity. However, air leakage in the walls can reduce the effective R-value of the existing insulation. On a case-by-case basis, the Weatherization coordinator must consider the R-value and air sealing benefits and balance them against the difficulty of dense-packing walls with existing insulation.

General Heat Waste Reduction Measures

The following low-cost measures are generally cost-effective and may be installed in all homes where applicable:

- Low-flow showerheads,
- Faucet aerators,
- Water heater tank insulation,
- Pipe insulation on first six feet of pipe entering and exiting the water heater, and
- Furnace or air conditioner filters.

Smart Thermostat

For central heating and/or cooling systems setback thermostats can be cost effective provided that the client is educated on the proper use of these devices. Based on the client interview, if the auditor questions the likelihood of the device being used properly, the smart thermostat should not be installed.

Convert Incandescent Lighting to Compact Fluorescent Lighting

Install up to 6 CFLs in the most frequently used lighting fixtures.

Floor Insulation

Large floor by-passes should be sealed prior to the installation of floor insulation (keeping in mind that sealing attic by-passes is generally more effective than sealing floor leaks). The amount of floor insulation that can be cost-effectively added varies with existing levels of insulation, space heating fuel, and foundation type. The following recommendations for floor insulation are based on the two most common foundation types in Tennessee: vented crawl spaces and exposed floor (houses whose floor joists rest on pilings and have little or no skirting).

Vented Crawl Spaces:

If existing insulation is R-8 or less, insulation can be added up to a final value of R-19.

If existing insulation is greater than R-8, it is not cost effective to add any attic insulation.

Excessive moisture from frequent rain or high water tables can enter a house through the crawl space and cause mold, mildew, and structural damage. Install plastic sheeting on the entire dirt floor of crawl spaces to reduce or eliminate this source of moisture. The cost of installing plastic ground cover can be charged to the floor insulation measure or as a health and safety measure.

Exposed Floor:

Gas Heating

If existing insulation is R-8 or less, insulation can be cost effectively added up to a final value of R-19.

If existing insulation is greater than R-8, it is not cost effective to add any floor insulation.

Propane Heating

If existing insulation is R-11 or less, insulation can be cost effectively added up to a final value of R-19.

If existing insulation is greater than R-11, it is not cost effective to add any floor insulation.

Electric Resistance Heating

If existing insulation is R-11 or less, insulation can be cost effectively added up to a final value of R-30. Insulate floor to R-30 only if floor is exposed, electric resistance is to remain the primary heating source, and R-30 will physically fit into floor joist cavity, which means 2x10 joists or larger.

If existing insulation is greater than R-11, it is not cost effective to add any floor insulation.

As mentioned previously, excessive moisture from frequent rain or high water tables can enter a house through the crawl space and cause mold, mildew, and structural damage. Local breezes should be sufficient to flush out this moisture under houses with exposed floors. However, if the exposed floors are close to ground or landscaping prevents natural ventilation, install plastic ground cover under the house to reduce or eliminate this source of moisture. The cost of installing plastic ground cover can be charged to the floor insulation measure or as a health and safety measure.

Duct Insulation and Sealing

Add R-4, foil-backed, duct insulation to heating and cooling ducts located outside the conditioned space. Seal accessible ducts, connections, and floor/ceiling boots with duct sealing mastic (not tape).

Refrigerator Replacement

Set freezer temperature to between 0 and 5 degrees F and refrigerator temperature to 36 to 40 degrees F. Replace refrigerator with an energy-efficient model if testing shows annual consumption is high enough to justify measure cost (see table below). Refrigerators with through-the-door ice service are not allowed. Explore the possibility of removing freezers and extra refrigerators that are lightly used and haul them off for recycling if client agrees.

The following are a few parameters regarding refrigerator replacement:

1. The refrigerator to be replaced must have been manufactured before 1987 and must be the primary household refrigerator.
2. All refrigerators that are replaced must be removed from the client's premises upon delivery of the replacement and properly disposed of in accordance with The Clean Air Act, USC Title 42, Section 7671g. This Act makes it unlawful for any person to dispose of refrigerants in a manner in which they will be allowed to enter the environment.
3. The replacement refrigerator must be an Energy Star-rated energy-efficient refrigerator. Replacement units shall be the same size but not exceed 20 cubic feet; shall be frost-free and have a minimum of one-year warranty.
4. The electrical outlet shall provide the voltage specified on the I.D. plate of the new refrigerator, and be properly grounded.

5. The agency/contractor shall, deliver and install the new refrigerator, level the unit to ensure proper operation, ensure that the door hinges are on the appropriate side, provide client education on refrigerator, and set temperature controls appropriately.
6. The agency/contractor shall remove all packing materials from the customer's premises.
7. Agency shall test refrigerator unit with a suitable appliance monitor for the minimum time period required by the testing instrument.
8. Record all data from digital power monitor and keep in client's file.
9. Ice-makers and additional cost for color is not allowable.

Air Conditioning Repair or Replacement

Air conditioning repair or replacement should be targeted to elderly and other clients with a medical condition which require climate control. This project will be reviewed at the end of this fiscal year after a cost analysis has been performed.

Air conditioning repair should be the first option if a dwelling has a unit. The HVAC unit must be inspected by an HVAC specialist prior to the repairs being performed. If the repairs are greater than \$700 a waiver must be authorized by the state program's office. The agencies may not exceed two waivers per contract period unless there are extenuating circumstances.

An air conditioning window unit may be installed if the dwelling does not have an HVAC unit or if the cost of repairing the existing HVAC unit is too costly. A unit must be installed properly, at a reasonable cost, as directed by the manufacturer's specifications.

The following are a few parameters regarding the replacement or installation of an air conditioning window unit or HVAC unit.

1. HVAC repairs or window units may only be authorized if someone in the household is elderly (age 70 or over) or has a medically documented illness which requires climate control (i.e. allergies).
2. If a dwelling does not have an HVAC unit the agency will not consider installing an HVAC unit.
3. If the dwelling has either at least one working air conditioning window unit or a properly working HVAC unit the agency will not consider additional cost for climate control.
4. Only one window unit per household may be purchased and installed.
5. The agency/contractor shall deliver and install the window units.
6. The agency/contractor shall remove all packaging material from the client's home.
7. All window units replaced must be removed from the client's premises upon delivery of the replacement and properly disposed of according to agency policy.
8. Repairs and window units must be justified through the NEAT audit.

Maximum Measure Cost for a Cost-Effective Refrigerator Replacement					
Annual kWh/year of Existing Unit	Annual kWh/year of New Refrigerator				
	300	400	500	600	700
900	\$459	\$382	\$306	\$229	\$153
1,000	\$535	\$459	\$382	\$306	\$229
1,100	\$612	\$535	\$459	\$382	\$306
1,200	\$688	\$612	\$535	\$459	\$382
1,300	\$765	\$688	\$612	\$535	\$459
1,400	\$841	\$765	\$688	\$612	\$535
1,500	\$918	\$841	\$765	\$688	\$612
1,600	\$994	\$918	\$841	\$765	\$688
1,700	\$1,071	\$994	\$918	\$841	\$765
1,800	\$1,147	\$1,071	\$994	\$918	\$841

Measure cost must include purchase and installation of new unit, and the removal and environmentally responsible de-manufacturing of the old unit.

Windows and Doors

The homes that the WAP serves are frequently in dilapidated condition. The windows and doors often need to be repaired or replaced. However, the WAP is an energy conservation program, not a housing rehabilitation program. The legislation and regulations governing the program require that weatherization measures result in sufficient energy savings to justify the cost needed to install them. Replacement of primary windows and doors and installation of storm windows and doors generally **do not** result in cost-effective energy savings except in certain, limited situations.

For these reasons, the primary windows and doors may only be replaced as a weatherization measure if recommended by a NEAT audit conducted for a specific house and if primary air sealing and insulation measures are adequate. The NEAT-calculated savings-to-investment ratio (SIR) must be greater than or equal to 1.0. The installation of storm windows and doors must also be recommended by NEAT.

Limited window and door repair and replacement are permitted as incidental repairs. Missing or broken panes may be replaced, but cracked glass may not warrant replacement if the fit is still tight. Repairing and weatherstripping a window should be considered before replacement or the installation of a storm window. It will often be necessary to choose just one or two windows for replacement or storm windows even though many windows may be in bad repair. Incidental repair funds should target windows in the room where the client spends most of their time.

Measures Requiring NEAT Analysis

The Weatherization measures determined to be generally cost effective are described above. Other allowable measures may be cost effective in a particular house in rare circumstances. Weatherization measures not included in the list of “Priority Weatherization Measures” can only be installed with DOE funds if a thorough NEAT analysis of the specific dwelling indicates that the measure will produce cost-effective energy savings.

PRIORITY LIST OF MOBILE HOMES

While the recommended measures vary depending on a number of variables, the weatherization measures that will be generally cost effective in Tennessee’s mobile homes can be summarized as follows:

Duct Sealing and House Pressure Reduction

Pressure-pan testing during a blower door test detects outdoor air infiltrating through supply and return ducts. Sealing supply ducts to below 1 pascal pressure-pan reading is the goal. If a mobile home floor return system exists, it must be permanently sealed from the living space, and new adequately sized return system added to the furnace closet. Any crossover ductwork should be properly connected, sealed, secured (off the ground) and insulated. Ends of delivery ducts should be inspected and sealed off with sheet metal ramp at the ends of the last delivery register.

Roof Cavity Insulation with Associated Air Sealing

Attic insulation and accompanying attic air sealing will be installed when insulation levels are at or below R-10. Together these two weatherization measures form the most cost-effective, durable and practical improvement available to mobile homes. All necessary roof repair and roof coating will also be applied. Costs may not exceed \$2 per square foot.

Floor Insulation and Air-sealing

Floor insulation should be preceded by floor leak-testing and air-sealing. Provide freeze protection for water pipes as necessary. Make sure ducts, in particular are sealed prior to floor insulation. Ensure that cavity is not over filled or dense-packed. In cavities greater than 8 inches, the belly bottom will be shifted closer to the floor, provided this can occur without damaging the ductwork or water lines.

Furnace Tune-up and Cleaning

Adjust the blower control and cleaning the blower, burner, and heat exchanger, as needed. Inspect ducts and remove debris from inside ducts.

Water-heating Package

Install low-flow showerhead when shower flow exceeds 3 gallons per minute. Insulate water tank and first feasible 6 feet of hot and cold water pipes. Set hot water temperature to 120°F and educate client why this setting is chosen.

Storm Window Repair

Repair existing storm windows. Replace missing glass and sashes.

Convert Incandescent Lighting to Compact Fluorescent Lighting

Install up to 6 CFLs in the most frequently use lighting fixtures.

Refrigerator Replacement

Set freezer temperature to between 0 and 5 degrees F and refrigerator temperature to 36 to 40 degrees F. Replace refrigerator with an energy-efficient model if testing shows annual consumption is high enough to justify measure cost (see table below). Refrigerators with through-the-door ice service are not allowed. Explore the possibility of removing freezers and extra refrigerators that are lightly used and haul them off for recycling if client agrees. The following are a few parameters regarding refrigerator replacement:

1. The refrigerator to be replaced must have been manufactured before 1987 and must be the primary household refrigerator.
2. All refrigerators that are replaced must be removed from the client's premises upon delivery of the replacement and properly disposed of in accordance with The Clean Air Act, USC Title 42, Section 7671g. This Act makes it unlawful for any person to dispose of refrigerants in a manner in which they will be allowed to enter the environment.
3. The replacement refrigerator must be an Energy Star-rated energy-efficient refrigerator. Replacement units shall be the same size but not exceed 20 cubic feet; shall be frost-free and have a minimum of one-year warranty.

4. The electrical outlet shall provide the voltage specified on the I.D. plate of the new refrigerator, and be properly grounded.
5. The agency/contractor shall deliver and install the new refrigerator, level the unit to ensure proper operation, ensure that the door hinges are on the appropriate side, provide client education on refrigerator, and set temperature controls appropriately.
6. The agency/contractor shall remove all packing materials from the customer's premises.
7. Agency shall test refrigerator unit with a suitable appliance monitor for the minimum time period required by the testing instrument.
8. Record all data from digital power monitor and keep in client's file.
9. Ice-makers and additional cost for color is not allowable.

Maximum Measure Cost for a Cost-Effective Refrigerator Replacement					
Annual kWh/year of Existing Unit	Annual kWh/year of New Refrigerator				
	300	400	500	600	700
900	\$459	\$382	\$306	\$229	\$153
1,000	\$535	\$459	\$382	\$306	\$229
1,100	\$612	\$535	\$459	\$382	\$306
1,200	\$688	\$612	\$535	\$459	\$382
1,300	\$765	\$688	\$612	\$535	\$459
1,400	\$841	\$765	\$688	\$612	\$535
1,500	\$918	\$841	\$765	\$688	\$612
1,600	\$994	\$918	\$841	\$765	\$688
1,700	\$1,071	\$994	\$918	\$841	\$765
1,800	\$1,147	\$1,071	\$994	\$918	\$841

Measure cost must include purchase and installation of new unit and the removal and environmentally responsible de-manufacturing of the old unit.

Storm Windows

Install interior storm windows on single-pane windows if the storms can be justified by MHEA (Since MHEA is being revised and is not yet available, NEAT can be used in the meantime to estimate potential savings from installing storm windows. NEAT/MHEA inputs should assume that the applicable measures above have been installed). The storm windows should be interior sliders if the prime windows are sliders, and they should slide in the same direction as the prime windows.

Indoor Air Quality Testing

All subgrantees will conduct indoor air quality testing for all dwelling units served under the Program. This will be accomplished with the use of an analyzer that detects the level of carbon monoxide from combustion appliances. The testing procedures will identify the carbon monoxide levels in the flue/vent and near the exhaust of combustion appliances; the adequacy of indoor ambient air; and the presence of any fuel leaks. The safety limit established will be 9ppm. Examples of appliances that are appropriate for testing include:

- Space heaters that are fueled by kerosene;
- Stoves or ovens that are fueled by natural gas;
- Fireplaces;
- Heating systems that utilize combustible energy sources; and
- Clothes dryers and hot water heaters that are fueled by natural gas.

All households which receive the testing will be informed of the results and advised of what appropriate actions should be taken to correct any problems found. All households will also be informed of the dangers of carbon monoxide.

The cost for the abatement of carbon monoxide hazards will be considered as an incidental repair, and will be subject to the \$500 per unit cost for such repairs. Adjustments to the expenditure limit for incidental repairs may be required if circumstances warrant. However, no such adjustments will occur, unless approval from the DHS is provided.

SPECIAL CONSIDERATION FOR SERVICE DELIVERY

Deviations from Priority Orders for All Units

Deviations in the order of the applicable list of priority measures are allowable when specifically recommended in writing and approved in writing by the DHS.

In no case will agencies install weatherization measures that are not classified within the State's applicable list of priority measures unless they are low cost/no cost items listed in the plan.

Installing Measures Not Recommended by Energy Surveys

Occasionally, the need arises for agencies to install weatherization measures or to make incidental repairs that are not listed on energy surveys. Since such occasions can occur unexpectedly while work is in progress, prompt consideration is usually required. In order to fully justify work that is not indicated by an energy survey, it is necessary that all WAP agencies adequately document in client files the necessity for installing additional measures. For work to be let out for bid, such documentation must be based on an on-site visit that is completed prior to the release of each final bid specification.

Such documentation must include the name of the contractor or agency personnel who made the recommendation and the date of their on-site visit. Also, the work must be consistent with the policies and priorities of this plan and must be required for completing the weatherization of a given dwelling unit. For contracted work in progress, the change order procedures listed below must be followed:

Change Orders

Written change orders are required to justify and to adjust the amounts shown in Attachment A for all contracted work in progress. All change orders in the amount of \$100 or more must be supported by a documented on-site visit by WAP agency personnel. Such documentation must provide sufficient justification for change orders that increase or decreases amounts by \$100 or more. Since change orders often involve additional expenditures, they must have the signatures of the WAP coordinator and the fiscal officer (or other authorized representatives) prior to the change being made. This procedure protects the financial integrity of the program and ensures that funds are available for the changes targeted.

The DHS recognizes that contractors cannot be expected on occasion to travel unreasonable distances to sign the change order forms prior to the changes being made. As a result, the contractor's signatures are not required on the forms prior to the initiation of the changes. However, when coordinating changes with contractors, special care should be taken to avoid misunderstandings resulting from verbal approvals. The contractors' signatures are required on the change order forms before payments are made for completed WAP measures.

A model Extension and/or Change Order form is included in Exhibit J.

Correcting Contractor Agreement - Attachment A

Agency personnel may correct errors made in completing Contractor Agreement Attachment A documents. However, all such corrections must be initialed by the agency personnel and contractor involved. No liquid paper, white-out or tape will be accepted by the oversight staff.

Omitting Audit Recommended Measures

Agencies are confronted with situations in which some recommended measures cannot be installed. Reasons for such limitations include WAP expenditure limits, health and safety concerns and the poor condition of many low-income dwelling units. Whenever WAP priority measures are recommended on audits and good cause exists not to install such allowable measures, WAP agencies will fully and clearly document the justification(s) for omitting such measures. Such documentation must include the name of the contractor or agency personnel who made the recommendation and the date of their on-site visit.

Materials Refused By a Client

In no event, regardless of cause, will an agency pay for work not completed by a contractor and/or not inspected by authorized local agency personnel. In instances when a client refuses permission for a contractor to install measures specified in and authorized by Attachment A of his/her contract with the agency, the agency will reimburse the contractor for only the cost of any restocking fees or service charges, not to exceed ten percent (10%) of the cost of the materials, which may be charged by the contractor's supplier.

Contractors are occasionally confronted by situations in which a client refuses to permit the installation of custom-made measures such as replacement doors or storm windows. Even though such materials cannot be applied but to certain other dwelling units, the agency or contractor must still make payment to the supplier of these materials.

When an agency and/or contractor has acted in good faith in ordering such materials and has (have) made appropriate (but unsuccessful) efforts to convince the client to accept their installation, or the client died before measures could be installed, the Department will reimburse the agency for the cost of such materials under the following conditions:

1. The agency will allow the contractor to store and count these materials on its inventory until they can be properly installed on another WAP eligible dwelling unit where the installation of such a measure has been recommended by the energy audit;
2. When the contractor receives the next bid and such installation occurs, the contractor will not charge the agency again for the cost of the materials. The cost of labor to install the materials will be considered as an allowable expenditure; and
3. The contractor must notify the agency when they will be using the material and the client's name.

Recyclable Insulation Materials

Local agencies are **required** to document that their contractors have made an effort to purchase recyclable insulation materials through their suppliers.

METHODS OF PERFORMING WEATHERIZATION WORK

PRIVATE CONTRACTORS

The WAP services throughout Tennessee are provided through a network of private contractors selected by the subgrantees. Private contractors are responsible for supplying both materials and labor for each dwelling unit that they bid on.

Local contract agencies will be responsible for selecting private contractors in accordance with the DHS bidding procedures for contracting weatherization work. The procedures and required forms are included in Exhibit I. When a contractor's application has been approved by an agency for participation in the program, the agency and the contractor will execute the Standard State Agreement. After this document has been fully executed, the contractor is eligible to submit bids (in accordance with DHS and agency bidding procedures) for weatherization work. For each job awarded to a private contractor, the agency and contractor must fully execute a Contractor Agreement Attachment A to their general Agreement. Any subsequent adjustments in the Contractor Agreement Attachment A total price must be documented and supported by a fully executed change order between the agency and the contractor. All change orders in the amount of \$100 or more must be supported by a documented on-site visit by WAP agency personnel. Such documentation must provide sufficient justification for all change orders which increase or decrease Contractor Agreement Attachment A amounts by \$100 or more.

As a matter of sound internal control, agency fiscal officers should maintain a current running balance of all funds obligated through Contractor Agreement Attachment A's. This balance should be separate from the one maintained by the weatherization coordinator. Such dual checks, along with the records of actual expenditures, will assist agencies in avoiding the over-obligation of WAP funds to private contractors. Executive directors may delegate the signature/approval responsibility of themselves and their fiscal officers by authorizing in writing other appropriate agency personnel to act on their behalf. However, the responsibility of the weatherization coordinator may not be delegated; and no employee may be authorized to sign for both the executive director and the fiscal officer.

Types of Work

Authorized local agency personnel or private contractors will conduct an energy survey on each home to be weatherized. The energy survey must recommend the most cost effective weatherization measures to be applied to each dwelling unit in accordance with the regulation 10 CFR 440.14(b) and (b)(4) and the State's priority lists of weatherization activities for that specific housing type.

Material and Installation Standards

Agencies are required to adhere to the material and installation standards of the Southeastern Weatherization Field Guide, and amended by Policy Memorandum No. 93-7.

Insulation Over Knob-And-Tube Wiring

In accordance with DOE policy, the installation of thermal insulation **over** any Knob-And-Tube Wiring is not permitted.

Other Local Agency Responsibilities

Local agencies will provide eligible private contractors with all federal and state rules and regulations governing their participation in the WAP, including notices of training events, public hearings, workshops, and conferences.

ENERGY SURVEYS AND INSPECTIONS

Methods of Operation

All WAP subgrantees are required to perform a blower door test, a carbon monoxide test, and an energy audit/survey of each eligible dwelling unit served - provided that:

- The blower door testing is practical based on building conditions;
- The carbon monoxide testing is performed where combustion appliances are operating; and
- The energy audit includes the use of the NEAT software only if special conditions warrant its use.

The Department does not require licensing or certification for persons performing energy surveys and/or inspections of completed WAP work. Contract agencies are responsible for ensuring that staff performing these functions have documented prior experience and/or have received sufficient training to perform these functions.

Agencies may use one of the following options in the performing of energy surveys of eligible dwelling units and in the inspection of completed WAP work:

1. Agencies may employ staff or hire private contractors, in accordance with State certification requirements, and secure necessary equipment subject to the procurement policies established by the Department; or
2. Agencies may contract for the performance of energy surveys and/or inspections of completed houses with another WAP contract agency or private contractor.

If an agency provides survey and/or inspection services to another agency, the costs of the service will be charged through the following procedure: The agency's actual costs for this activity, including both its own and the other agency's surveys and/or inspections, will be prorated based on the relative number of surveys and/or inspections completed during the period for itself and the other agency. The costs derived for the agency's dwelling units are chargeable to its WAP grant. The costs derived for the other agency's dwelling units will be billed to that agency which may then include those costs in its billings to the DHS. The responsibilities of each agency under this option are identified in the standard contract to be executed between the parties. The standard contract is contained in Exhibit K.

Energy Surveys

Agency staff and/or private contractors will perform energy surveys of eligible dwelling units utilizing survey materials recommended by NRCERT. If required, agencies may also use the form contained in Exhibit H. This is designed for use with the NEAT computer software. All surveys will be performed in accordance with the allowable measures identified in this State Plan. In addition, the measures recommended on the forms must be identified by numbers in priority ranking and will be based on the most cost effective measures that may be taken to recognize the Savings Investment Ratio (SIR).

Inspections

To ensure the quality of both the materials and workmanship used to weatherize eligible dwelling units, WAP agencies will provide inspections of the measures applied to all units weatherized. If the work performed on a dwelling unit fails the initial inspection, the private contractor involved will be required to complete all necessary corrections after which agency staff will conduct another inspection to evaluate the corrected work. All weatherization work completed on a dwelling unit must pass an agency inspection before the unit is considered a WAP completion in accordance with DOE regulations. WAP agencies are required to withhold payments to private contractors until all applicable work has been completed in a workmanlike manner and approved by an inspection.

Agencies will utilize the Inspection and Work Completion Certification form contained in Exhibit L to document the required inspection activities for WAP completed work. The Inspection and Work Completion Certification form is a "model" form and may be changed upon written approval from the Department.

Each unit weatherized must have an inspection prior to the submission of the claim of reimbursement for the unit. The inspection will ensure that the work was completed in a satisfactory manner. Both the client and the agency inspector will sign the inspection form for work completed in a satisfactory manner. If the client refuses to sign the Inspection and Work Completed certification form, the agency must notify the Weatherization Program office prior to the submission of the claim for reimbursement.

In cases where high priority measures (air infiltration and insulation) are not performed and the reasons for such omissions are not apparent to the inspector, such omissions will be noted. Inspectors will list such omitted measure(s) under the appropriate comment section(s) of the inspection form. Agency staff are expected to determine if such omissions were by design or by mistake. The decision to purposefully omit a measure must be justifiable and the identification of a mistakenly omitted measure should be corrected. This procedure will assist agencies in identifying and correcting mistaken omissions before these omissions are reported to the Department and will allow the best opportunity for any required corrective action.

Agency Monitoring

All WAP subgrantees are required to monitor/inspect all dwelling units completed by their subcontractors. Agencies will maintain the following documentation of their monitoring visits:

1. Client name and address;
2. Date of visit;
3. Name(s) of staff person(s);
4. Findings and evaluation; and
5. Action(s) taken.

State Office Oversight

The Department's Program Review and Internal Audit staff will conduct annual program and fiscal reviews of the Weatherization program administered by subgrantees in accordance with DOE regulations. The monitoring visits will include a review of client files and subgrantees records. The state will also ensure that actual inspection of at least five percent of the completed units statewide will occur on an annual basis.

STANDARDS FOR COMPLETING ENERGY SURVEYS AND CONTRACTING WEATHERIZATION WORK

Energy Surveys

All weatherization measures, including incidental repairs, which are eligible under the program and determined to be appropriate for a dwelling unit by survey staff must be listed on the survey form. Also, the weatherization measures identified on each energy survey must be numbered in priority order.

Bid Packages

Bid packages must include all measures from each survey, and must number the measures in priority order.

Walk Throughs

Agencies may conduct "walk throughs" with participating contractors, before bids are received, to identify needed measures that may not be listed on the energy surveys for the units.

Contract Awards

The lowest qualified bid must receive the contract award under each bid package. This is with the understanding that the lowest bid is at or below the maximum expenditure limit for labor and materials, and includes all of the measures identified in the bid package.

Reducing Bids in Excess of Maximum Expenditure Limit for Labor and Material

When single-unit bid packages are received from several private contractors, and the lowest bid on any unit is above the expenditure limit on labor and materials, the bids must be reduced. This is accomplished by eliminating the lowest priority measure from each bid. If this action results in the lowest bid being at or below the expenditure limit, a contract award may then be made. However, if the action does not result in a low bid that is at or below the expenditure limit, the next lowest priority measure must be eliminated from each bid. This action will continue until the lowest bid is determined acceptable. As a reminder, any measure(s) eliminated must be the same for each bid involved.

For multi-unit bid packages (or block bids up to 10 units), the same procedure described above for single-unit bids must be used. If the lowest bid package has individual unit bids that exceed the maximum expenditure limit for labor and materials, the individual unit bids must be reduced. This is to be accomplished by deleting the lowest priority measure from each individual unit bid until the lowest bid package is determined acceptable.

Partial Installation of Storm Windows

Conditions may indicate the need for window repairs and/or replacement. Circumstances can warrant the partial installation of storm windows on a given unit. To allow for this measure, the windows must be absolutely necessary to address air infiltration problems, and the survey and bid forms must indicate the priority order of the windows. This may be accomplished by listing the windows on specific sides or levels of a unit according to their priority ranking. Under this procedure, the installation of storm windows on the north side of a unit, for example, may be completed. This is providing, of course, that the cost of the windows involved in a partial installation do not exceed the per unit cost normally experienced.

ADDITIONAL PROGRAM REQUIREMENTS

Outreach and Application Procedures

Local agencies are responsible for the following

- conducting outreach activities
- application intake,
- implementation of the Client Referral System between the LIHEAP and the WAP programs
- eligibility determination
- notification in writing of actions taken on all applications
- prioritization of eligible applicants
- protection of client records
- conducting client grievance hearings
- assisting in the investigation of program fraud or abuse

Client Compliant Procedures

Each agency's Board of Directors is responsible for establishing in writing a process through which applicants may present complaints regarding DHS imposed eligibility requirements or agency service provision. Circumstances that most frequently lead to complaints with respect to eligibility or service delivery involve the failure to act promptly in providing or arranging for services; the denial of, or exclusion from, a service; and discriminatory practices. In all cases, clients should initiate any type of complaint directly through the agency's grievance procedure. This procedure must have the approval of the Board of Directors and include the Department of Human Services as the final step that dissatisfied clients can take regarding complaints. In the event a client must utilize this final step, agency staff will assist the client in completing the appeal summary for the Department's Administrative Review Section. In addition, each agency is responsible for including information concerning the appeals process in all client notification letters.

Fair Hearing Process

An applicant for, or recipient of, assistance or services has a right to appeal any action taken in regard to the assistance or services for which he/she has applied, is receiving, or which has been terminated.

Clients and applicants for services or assistance through any programs offered through the Department have a right to request a fair hearing for any of the following reasons:

1. Application for service or assistance is denied (**except for lack of funds**);
2. Applicant was not provided an opportunity to submit an application for services or assistance at the time of their initial request;
3. The notification of application status is not made within 90 days of date of application; or
4. The client is dissatisfied with the services or assistance for any reason.

Every applicant or recipient of services or assistance shall be informed by local agency staff at the time of application and at the time of any action affecting his/her claim to assistance or services of the following:

1. of his/he right to a Fair Hearing;
2. of the method by which he/she may obtain a hearing; and
3. of his/her right to be represented by an authorized representative, such as legal counsel, relative, or friend. Information and referral services shall be provided to help claimants make use of any legal services available in the community that can provide legal representation at the hearing.

Responsibilities of Local Contract Agencies

The right to appeal is provided to ensure due process for those individuals and families who are denied assistance under any of the Department's programs including the WAP program. Each agency's Board of Directors will establish procedures for fair hearings at the local level.

When an applicant feels that he/she has been denied services or assistance, or the opportunity to apply for services or assistance, a review hearing will be held upon the applicant's written request. A client who is dissatisfied with the service or assistance that they received may also request a hearing.

Applicants may not appeal when an application is denied due to a lack of funds.

To file a request for a hearing, the dissatisfied applicant must fill out a complaint form (See Exhibit R). The applicant will retain a copy of the form. Also, one copy will be provided to the Department's Community Services office and a third copy will be placed in the applicant's permanent file by the local contract agency.

A letter will be sent to all applicants stating either that the application is approved with the awarded benefit amount listed or that the application is denied. Also, the letter will state the correct procedures to follow for an appeal of an application denial through the agency's established grievance procedures.

In the WAP program, if a client believes that the work provided by the program is not satisfactory due to poor workmanship, he/she is not required to sign the Inspection and Work Completion Certification form; and if necessary, may appeal their dissatisfaction through the agency's established grievance procedure.

Applicants for services or assistance or clients dissatisfied with the receipt of services or assistance must file their grievance within 30 days of the denial of, or receipt of, the services or assistance. Upon receipt of a request for a hearing, the hearing must be held in a timely manner following the agency's established procedures for fair hearings.

If a client is dissatisfied with the agency's decision, he/she may appeal to the Department. Requests to the Department for a hearing may be made in writing, electronic mail, or telephone within thirty (30) days of the notification of the outcome of the local hearing. No request for a Department-level hearing will be accepted until a hearing at the local level is held as most issues can be resolved at the local level.

In the event an applicant must utilize this final step, local agency staff will assist the applicant in notifying the Department of their request for a hearing. All requests for Departmental level appeals must be submitted to:

Regina Surber, Director
Community Services
TN Department of Human Services
400 Deaderick Street, 14th Floor
Nashville, TN 37248

(615) 313-4762
Regina.Surber@state.tn.us

Following the receipt of a request for a hearing, the Department's Division of Appeals and Hearings will be notified. The client will be contacted by Appeals and Hearings staff to schedule the hearing which will be conducted by a Departmental Hearing Officer. If a request for a hearing is received, the local agency will be requested to submit copies of files and documentation regarding the grievance and the steps taken to address the issues.

Nondiscrimination

Local agencies shall ensure that no person on the basis of handicap, race, color, religion, sex, age or national origin will be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the operation of the WAP or in the employment practices of the agency, subject to applicable federal regulations. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rate of pay, training and participation in upward mobility programs, or other forms of compensation and use of facilities. Local agencies shall, upon request, show proof of such nondiscrimination, and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

Local agencies shall ensure that low income Native Americans receive WAP benefits equivalent to the assistance provided to other low-income persons within Tennessee.

Observation of County Allocations

Multi-county agencies are responsible for adhering to each county's allocation of WAP funds by weatherizing a proportional number of units within each county of its service area in relation to its total agency WAP allocation unless authorized in writing by the agency's governing board and approved by the Department.

Insurance Coverage

WAP contract agencies and their local contractors must carry adequate public liability and other appropriate forms of insurance including Pollution Occurrence Insurance (POI). **DOE is exploring the continued need for POI insurance coverage but can not provide definitive direction at this juncture. DOE will distribute supplemental guidance if, and when, any changes are made.**

The Department shall have no liability in the weatherization measures conducted on each house except as specifically provided in the WAP contract between the Department and each WAP contract agency.

Coordination with Other Programs

To the maximum extent practicable, local agencies shall coordinate the WAP with other federal, state, local or privately funded programs in order to improve energy efficiency and to conserve energy.

Maintenance of Program and Fiscal Records

Local agencies are required to maintain fiscal and program records, books, papers and other evidence to support accounting and personnel procedures and practices that sufficiently reflect all direct and indirect costs expended in their operation of the WAP. Such records shall be maintained until an audit has been performed and all questions related thereto have been resolved or for a minimum of three (3) years. These records shall be maintained in accordance with generally accepted accounting principles at no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. Such records shall be maintained in accessible form and shall be subject to monitoring and inspection by Finance and Administration (F & A) monitoring team and audited by the Department, the State of Tennessee's Comptroller of the Treasury or his designated representative, and Federal personnel including the U.S. Comptroller General or his designated representative and authorized representatives of the U.S. Department of Energy and U.S. Department of Health and Human Services. In order to provide full audit disclosure, the scope of audits shall include the financial activities of all other entities managed or controlled by the board of the agency or by its employees. Agencies shall assume full financial liability for audit exceptions ruled as final after the agency has received notice and been offered the opportunity to participate in review of the audit exceptions with State or Federal officials, as appropriate.

Required Reporting of Private Contractor Payments

In accordance with the Internal Revenue Code, local agencies will be required to complete and forward to the Internal Revenue Service (IRS) a Form 1099 for each private contractor who receives \$600 or more in WAP payments during a calendar year. The 1099's for each calendar year must be forwarded to the IRS by January 31 of the following year.

Compliance with Additional Federal Policies

In accordance with U.S. Department of Energy policy, the Tennessee Department of Human Services and local WAP contract agencies must comply with the following:

1. Section 306 of the Clean Air Act;
2. Section 508 of the Clean Water Act;
3. Executive Order 11738; and
4. U.S. Environmental Protection Agency regulations.

Reporting of Units Served

Local contract agencies will be required to use the reporting forms contained in Exhibit M to report data on the units served. The "Report of Units Completed", monthly invoice and the "WAP Data Sheet" is to be completed for each unit served and submitted to the Department's Fiscal Services Section.

National Program Evaluation

In FY 2006, DOE initiated implementation of a plan to conduct a new comprehensive evaluation of the Weatherization Assistance Program. The new evaluation is needed due to the numerous changes in program rules, procedures, housing stock and many other variables over the past decade. The evaluation is an extensive undertaking that will involve all states and many local agencies over the next several years. Oak Ridge National Laboratory, acting on behalf of the Department and with extensive input from the WAP network, has drafted the evaluation plan and will solicit proposals from independent evaluators to conduct the evaluation itself.

DOE requests that local contract agencies continue to obtain client waivers are acquired which will enable program access to utility and other energy vendor billing records and that account information, including account number, the name to which the account was billed and the billing address, for all energy vendors, both electric and the primary heating source. This access should include both consumption and expenditure data.

STATE MONITORING

Program monitoring will be conducted by DHS Internal Audit staff. The section is also responsible for monitoring the State's Low Income Home Energy Assistance Program (LIHEAP), Community Services Block Grant (CSBG), Social Services Block Grant (SSBG), and other state agency programs. Each subgrantee will have at least one on-site review annually. Quarterly desk reviews of expenditures and production levels may be conducted during the program year by state program office staff.

Program monitoring procedures will include client visits and on-site inspections of some completed units. Visits will be announced and arranged through written communications. Unannounced visits will be made in the event of complaints identifying program irregularities.

All visits will consist of an entrance and exit conference. The policy areas to be reviewed will be presented by monitoring staff to local agency personnel during the entrance conference. The exit conference will involve a presentation of the findings of the review. In addition, letters will be sent to the agency board chairperson following the monitoring visit to communicate the findings of the review. In the event of program deficiencies, the DHS will have the responsibility to follow-up and confirm the correction of the deficiencies. Areas to be evaluated during the monitoring review are identified in the Monitoring Review Guide (Exhibit T).

DEFUNDING OF LOCAL CONTRACT AGENCIES

If DHS is notified that a local contract agency selected to undertake weatherization activities has failed to comply substantially with its contract, DOE regulations or this State Plan, the agency will be replaced in accordance with the provisions for the replacement of a grantee under 10 CFR Part 440.30.

Procedures

1. DHS will give notice to an agency in the event that the Department finds there is a failure by the agency to comply substantially with the provisions of this plan or its contract with the State.
2. DHS will issue a notice in written form delivered by registered mail, return receipt requested, which includes:
 - A notice of suspension of operations and intended termination and a statement of reasons for the suspension and planned termination, including an explanation whether any amendments or other actions would result in compliance;
 - The date, place, and time of a public hearing to be held by the DHS for the proposed termination, which in no event be later than fifteen (15) working days after the receipt of such notice; and
 - The manner in which views may be presented.
3. An agency that has received notice may make a written submission of its views with supporting data and arguments to DHS on or prior to the date of the public hearing. The agency will also be afforded an opportunity to make an oral presentation at the public hearing.
4. DHS will consider all relevant views and data, including arguments and other submissions made at the public hearing. DHS will make a final determination no later than ten (10) working days after the public hearing.
5. The Commissioner may delegate his/her authority under this section.
6. If DHS makes a final determination of failure to comply, the agency will be ineligible to participate in the program unless and until DHS is satisfied that there is no longer a failure to comply.

Alternate Contract Agencies

Any new or additional local contract agencies will be selected in accordance with the procedures and requirements in 10 CFR Part 440.(14)(15), as applicable, and will be based upon comments received from a public hearing.

WEATHERIZATION CLIENT FILE DOCUMENTATION

For FY 2009, client files shall include the following documentation:

1. Model Application for Weatherization Assistance*;
2. Notification of status letter;
3. Date of re-certification (completed every 12 months)
4. Income eligibility documentation, and if required, a Statement of Support form;
5. Income computation worksheet(s);
6. Energy Survey Form**;
7. Inspection Form**;
8. Attachment A for Private Contractor WAP Work* and, where applicable, Extension and/or Change Order form**;
9. Copies of private contractor invoices which list WAP measures completed;
10. Priority Points System documentation*;
11. Written justification for installation of measures not recommended by energy surveys and/or omission(s) of allowable measures recommended on energy surveys;
12. Release of Information and Homeowner/Authorized Agent Certification Form*;
13. Leased Dwelling/Rental Agreement**; and
14. Inspection and Work Completion Certification Form*.

* - *Standard form that all agencies must use.*

** - *Model form which all agencies must use to obtain minimum required information, authorizations, etc. Agencies desiring to require additional information on these forms must obtain prior written approval from the Department.*

EXHIBIT A

APPLICATION FOR WEATHERIZATION ASSISTANCE

(Name of Agency)

Part 1 - Applicant Information (Please Print):

Applicant Name: _____

Telephone Number: _____

Applicant Address: _____

City	State	Zip
------	-------	-----

Race (Check One):

American Indian or Alaskan Native: _____; Asian or Pacific Islander _____;

Black (Non- Hispanic): _____; Hispanic: _____; or Caucasian: _____.

(This information is for data collection purposes only).

Number of children five (5) years old or younger at the time of application: _____

Part 2 - Housing Information (Please check as appropriate):

Type of Structure: Single Family ____ Owner Occupied ____ Rental ____

Public Housing: Private Multi-Unit ____ One Story ____ Two Story ____

Three Story ____ Split Level ____ Mobile Home ____

Exterior Type: Wood/Masonite ____ Aluminum/Steel/Vinyl ____ Stucco ____

Brick/Stone ____ None ____ or Other ____

Square Feet: _____

If you rent your dwelling unit, please provide the following landlord information:

Landlord Name: _____ Telephone Number: _____

Landlord Address: _____

City	State	Zip
------	-------	-----

Part 3A - Categorical Eligibility

Part 2 of 3

- Does any member of your household receive Supplemental Security Income (SSI) or cash assistance under the Families First Program: Yes ____ No _____. If "Yes", please attach any documentation of this income, and sign and date the statement in Part 4. You do not have to complete Part 3B.
- Adult Protective Service Referral? Yes_____ No_____
- Household with high energy burden? Yes_____ No_____
- Do you receive regular financial assistance for a disability? Yes_____No_____.
- Do you have a permanent disability? Yes____No_____.
- If you claim handicapped status, describe your disability in your own words. (Formal verification not required.)_____

Part 3B - Income Eligibility

If no member of your household receives income from the SSI or Families First Programs, please complete this part for all household members, and sign and date the statement in Part 4.

Income Documentation: Y / N

Name	SSN*	Birthday	Relation to Applicant	Monthly Income
1. _____	_____	_____	_____	\$_____
2. _____	_____	_____	_____	\$_____
3. _____	_____	_____	_____	\$_____
4. _____	_____	_____	_____	\$_____
5. _____	_____	_____	_____	\$_____

Part 4 – Applicant Certification Statement

I certify that all of the information provided in this application for weatherization assistance is true and correct. I understand that any one who fraudulently covers up a material fact or who knowingly gives false information for the receipt of weatherization assistance is liable upon conviction to a fine of \$10,000 or imprisonment for not more than five years, or both. I authorize the verification of any and all information provided herein to determine my eligibility, and acknowledge that I have been informed of my appeal rights. I understand that I will be notified in writing of my eligibility status.

Applicant Signature

Date

***Services may not be delayed or denied due to a client's inability or refusal to provide a Social Security Number.**

FOR AGENCY USE ONLY

Are there any known plans for the government acquisition or clearance of dwelling unit:
Yes ____ No ____ (If "Yes", the TDHS is to be notified before any action is taken on the
application.)

Total Annual Household Income Determined: \$_____ Categorically Eligible:
Yes ____ No ____

Application Status: Approved ____ Denied ____ Priority Points: _____

Signature of Intake Worker

Date

Signature of Determining Official

Date

EXHIBIT B

**STATEMENT OF SUPPORT
WEATHERIZATION ASSISTANCE PROGRAM**

Date

I, _____, do hereby certify that during the period of
_____ to _____ I provided the following support to

(Name)

Food _____

Clothing _____

Rent _____

Gifts* (Specify) _____

Other _____

Signature of Support Person(s)

Signature of Applicant

*Gifts are contributions of cash, goods or services for basic necessities which are made without any commitment for repayment.

EXHIBIT C

**WEATHERIZATION ASSISTANCE PROGRAM AGREEMENT FOR
PROVISION OF SERVICES TO RENTAL UNITS**

This Agreement is entered into this _____ day of _____, 200____, by and between _____, hereinafter referred to as the Owner (or authorized agent), and _____, hereinafter referred to as the Agency.

This Agreement is for the provision of work under the Weatherization Assistance Program (WAP) for the property leased to

_____ WAP Applicant's Name
at the following address:

Street City/State/Zip Code
and is subject to the following conditions:

1. The benefits of the weatherization assistance provided shall accrue primarily to the low income lessee;
2. The rent for the property identified above shall not be raised for a period of one year from the completion date of the weatherization work, unless the increase is demonstrably related to matters other than the weatherization work performed;
3. The Owner (or authorized agent) agrees that the lessee of the property identified above will not be evicted without legal cause (non-payment of rent, etc.) for a period of one year from the date of the completion of the weatherization work;
4. If a complaint regarding a rent increase or eviction action is received by the Agency from the lessee of the property identified above, the Owner (or authorized agent) agrees to immediately provide the Agency, upon request, written information that the terms of this Agreement have not been violated;
5. No undue or excessive enhancement shall occur to the value of the property identified above;
6. There is no known plan for government acquisition or clearance of the property identified above within 12 months of its weatherization under the WAP;

7. Permission is granted for the Agency to conduct or to make arrangements for the following activities:
- (a) Survey and inspection of building inside and outside;
 - (b) Installation of weatherization materials as authorized;
 - (c) Supervision of installation;
 - (d) On-site inspection of all completed work; and
 - (e) Such other particulars as may be attached to this Agreement;
8. The terms of this Agreement shall be binding on the parties hereto, their heirs, executors, administrators, representatives, successors and assigns; and
9. If this Agreement is not adhered to by the Owner (or authorized agent), the cost of the weatherization improvements shall be reimbursed by the Owner to the Agency.

In witness whereof, the parties have set their signatures herein:

Owner/Authorized Agent:

Signature

Date

Address

City/State/Zip Code

Agency:

Authorized Signature

Date

Address

City/State/Zip Code

EXHIBIT D

**REPORT ON ALLEGED
UNDISCLOSED APPLICANT AND CLIENT INCOME**

	<u>Date of Contact</u>	<u>Name and Address of Applicant or Client</u>	<u>Source and Amount of Alleged Undisclosed Income</u>
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			

Signature of WAP Coordinator

Date

EXHIBIT E

**WEATHERIZATION ASSISTANCE PROGRAM RELEASE OF INFORMATION*
AND HOMEOWNER AUTHORIZED AGENCY CERTIFICATION FORM****

(Agency Name)

I, _____, hereby authorize the above named
(Applicant's Name)

agency to take the following actions:

1. To share information contained in my Weatherization Assistance Program application with other agencies and/or programs from which I seek additional services; and
2. (If property owner) To allow work on the dwelling unit listed on my application in accordance with the following provisions:
 - (a) Allow survey and inspection of dwelling unit inside and outside;
 - (b) Allow installation of weatherization materials as required;
 - (c) Allow supervision of installation;
 - (d) Allow follow-up inspection of work; and
 - (e) Such other particulars as may be attached to this agreement.

Signature_____ Date_____
Applicant or Authorized Agent

*Note: If an applicant or local contracting agency does not want information regarding an application to be shared with other agencies or programs, then draw a line through the first statement before the client's signature is made.

**Note: If an applicant rents and consents to the release of information, then draw lines through the second statement before the client's signature is made.

EXHIBIT F

WEATHERIZATION ASSISTANCE PROGRAM BIDDING PROCEDURES FOR CONTRACTING WEATHERIZATION WORK

Purpose

To ensure quality work for the least cost for weatherization projects by making provision for all eligible contractors to bid at each bidding session.

Selection of Eligible Contractor Pool

- (a) A subgrantee must publicly advertise that the weatherization of eligible dwelling units will be open to bid when it has been awarded the WAP grant. Every effort must be made to attract the maximum number of interested contractors by observing the following procedures.
 - (1) At the beginning of each fiscal year, a meeting must be held with prospective contractors responding to the advertisement to introduce program requirements, contracting procedures, and what is expected of the contractors.
 - (2) The fact that weatherization work will be awarded should be publicly posted throughout the year to give new contractors the opportunity to qualify. A summary of program requirements, contracting procedures, and expectations of contractors should be given to all responders.
 - (3) Each subgrantee must allow eligible new contractors to enter the eligible contractor pool at intervals no longer than six (6) months.
- (b) Prospective contractors must meet eligibility requirements by furnishing:
 - (1) A copy of a State issued "Home Improvement License", if the work is to be performed in a county in which the County Commission has adopted the Tennessee Home Improvement License Law by a two-thirds majority vote, and the value of the work under a single contract is from \$3,000 to \$25,000; or
 - (2) A copy of a State issued "General Contractor License", if the total work to be performed under a single contract is greater than \$25,000; or
 - (3) Bank credit references, supplier references, and copies of all required insurance policies and city and county licenses when the above eligibility requirements are not applicable. Subgrantees are required to maintain documentation regarding these eligibility requirements for private contractors who are awarded WAP work.

- (c) Delisting of Contractors: If the criteria used to establish a contractor as eligible changes (due to license cancellation, poor work, etc.), the contractor must be declared to be ineligible to bid on future units until such time as eligibility is re-established. Delisting and re-establishment of eligibility must be documented. Delisting procedures must be established in writing by all agencies and included in the Standard State Agreement as "Attachment B" ("Weatherization Contractors' Policies and Procedures").
- (d) Based on qualification procedures, a list of eligible contractors must be developed and constantly updated. Bid opportunities must be given only to those contractors declared eligible.

Methods Available for Agencies to Use in Soliciting Bids

(a) Individual Bids:

- (1) A copy of each weatherization unit, based on the energy survey, should be given to each eligible contractor.
- (2) The contractors should visit the sites and submit a bid in the appropriate format. Bids may be offered in "blocks" up to a maximum of ten (10) units.
- (3) The low qualified bidder on a single unit or a "block" of up to a maximum of ten (10) units will be awarded the contract.
- (4) The failure of a contractor to bid should be determined and documented.

(b) When a subgrantee has several eligible contractors and multiple projects to be weatherized so that individual bids are not feasible, the subgrantee may elect to use a rotating bid system by using the following guidelines:

- (1) Determine the number of weatherization units.
- (2) Determine the number of eligible contractors.
- (3) Divide the number of contractors into groups of 3 or 4. For example, if there are 28 eligible contractors, there would be 7 groups of bidders.
- (4) The number of weatherization units would then be divided among the groups of contractors. For example, if there are 7 groups of contractors and 21 weatherization units, there would be 3 weatherization units.
- (5) The groups of weatherization units will be assigned to the contractors randomly. The fairness of their selection for particular bid packages will be documented by the use of a "random number table". A contractor who uses this method will be furnished a random number table and assistance in its use from the Department.

The matching of contractors with bid packages would work in this manner: If there is a list of names with 28 eligible contractors, the first 4 would be selected by the use of the random number table and assigned to group #1 of 3 units as in the example in item #4. The next 4 would be assigned group #2 of 3 units and so forth. The contractors would then submit their bids on the units assigned to them, and the low bidder on each unit would be given the contract.

(6) No-Bids by eligible contractors should always be determined and documented.

- (c) In addition, a subgrantee may accept and award bids using a "modified blanket bid process". A "blanket bid" is defined as a bid by components on weatherization work allowable under the program. Under this process, a subgrantee may accept bids based on a "model" unit to be weatherized with all allowable measures. The acceptance and awarding of bids under this option must occur at intervals no longer than six (6) months.
- (d) The low bidder shall be determined by matching the allowable components specified by the energy survey with the file of component bids submitted by contractors. Bids will be awarded based on the overall low bid thus generated for each single unit or block of units up to a maximum of ten (10) units.

Bid Packages and "Walk Throughs"

Regardless of the bidding method utilized, all contractors are required to bid on all weatherization measures and units that are identified in each bid package in which the contractors participate. Also, all completed survey and bid forms must number the weatherization measures in priority order. Copies of the survey and bid forms are to be provided to those qualified contractors that request to bid on the units affected.

In addition, agencies may have "walk-throughs" with participating contractors, before bids are received, to identify needed measures that may not be listed on the surveys for the units affected.

Reducing Bids in Excess of the Expenditure Limit

It is often the case that bids are in excess of the maximum amount that can be expended per unit for labor and materials. In these instances, components of the bids must be considered according to their established priority. Contractors should be made aware of the limit imposed and of the priority of the weatherization measures. In those cases where the bids must be reduced to bring the bids in line with the per unit expenditure limit, the low bid should consist of amounts that are bid for actual work to be done and work actually anticipated in light of building conditions. The objective is to prevent contractors from being the "low bidder" by intentionally bidding low on components with low priority.

Bid Openings

- a. A time and place should be set for opening and awarding bids. A minimum of two agency representatives must be present at the bid opening: (1) Director or their designee, and (2) Board Member;
- (b) Contractors should be invited to attend and observe the bid openings.
- (c) Bidding procedures require sealed bids and official bid openings and must be open to the public.
- (d) Bids must never be altered or defaced. If bids must be changed, in accordance with item C, an adjustment sheet or a copy of the original bid must be used to make the changes.
- (e) Bid Tabulation Sheet must be dated and signed by the agency representatives
- (f) All bids must be signed by the contractor.
- (g) Documentation should be included in each client's file explaining why high or tie bids were awarded to the contractor.

Copies of all bids, contractor licenses, and the bid tabulation sheet must be maintained on file and available for Departmental review.

A file on each Contractor performing Weatherization work must be maintained at the agency which, at a minimum, must contain:

- Company name
- Name of owner(s)
- Mailing address of company
- Physical address of company
- Telephone number
- Copy of contractor license
- Documentation of liability and POI insurance

Contract Awards

Subgrantees will execute separate contracts with each contractor who is awarded WAP work after each bid opening. The standard contract form, including Attachment A documents, which is contained in this section will be used for all contracted work.

EXHIBIT G

FACT SHEET FOR LIHEAP APPLICANTS REFERRED TO THE WEATHERIZATION ASSISTANCE PROGRAM

Referral Procedures:

If you are interested in having your house or apartment weatherized and have not received such assistance at your present address since September 30, 1993, your application will be referred to the Weatherization Assistance Program (WAP). The WAP is currently being operated in this area by the

(Name of Agency)

Due to limited funds for the WAP and, the possible backlogs of eligible persons whose applications have been approved, there may be a delay of several weeks, months or longer before weatherization assistance may be available. Such delays are caused by local agency backlogs and vary in length across the State.

If you wish, you may contact the local WAP office regarding your application at the following address and telephone number:

(Street)

(City)

(Phone Number)

The agency named above will contact you when assistance under the program may be provided.

Services Available Under the WAP

Please note that the following services are based upon individual building conditions, and expenditure limits:

1. Insulation of attics, floors, walls, and electric water heaters
2. Caulking of doors and windows
3. Installation of weatherstripping, and thresholds
4. Glazing of windows
5. Installation of window and door screens
6. Using reflective sealant for mobile homes
7. Smoke detectors
8. Replacement/repair of water heater/refrigerator
9. Installation of prime and storm windows

EXHIBIT H

"STANDARD"

**TENNESSEE DEPARTMENT OF HUMAN SERVICES
PRIORITY POINT SYSTEM
WEATHERIZATION ASSISTANCE PROGRAM (WAP)**

APPLICANT NAME: _____

DATE OF PRIORITIZATION: _____

POINTS	CRITERIA	TOTAL
15	Elderly (Age 60+)	
15	Disabled (must self-declare disability)	
15	Household with children under six (6) years of age	
5	APS Referral	
5	Household includes six (6) or more members	
5	LIHEAP Applicant (current fiscal year)	
5	Household has been on waiting list for more than 1 year	
15	Household has been on waiting list for more than 3 years	
5 to 20	% of Federal Poverty Guidelines	
5 to 20	Energy Burden	
TOTAL		

EXHIBIT I

"STANDARD"

**AGREEMENT FOR CONTRACTING WEATHERIZATION WORK
(REVISED DECEMBER 1, 1997)**

THIS AGREEMENT made and entered into this _____ day of _____, _____, by
and between the _____,
hereinafter referred to as the "Agency", and
_____, hereinafter
referred to as "Contractor".

WITNESSED

WHEREAS, the Tennessee Department of Human Services (TDHS) has allocated funds to the Agency under the U.S. Department of Energy's Weatherization Assistance Program; and the Low Income Home Energy Assistance Program, Weatherization Assistance Component, to implement and supervise weatherization assistance services designed to improve the heating efficiency of certain structures owned or rented by persons eligible for benefits under the program, and

WHEREAS, the Contractor has completed and executed a Weatherization Contractor Application and delivered such to the Agency and desires to provide the work necessary to effect the weatherization changes contemplated by the program.

NOW, THEREFORE, the parties hereto, in consideration of the promises and the mutual promises herein contained, hereby covenant and agree as follows:

1. The Contractor shall:
 - 1.1 Commence and complete all work by the dates agreed upon between the agency and the Contractor as put forth in Attachment A of this Contract.
 - 1.2 Perform the work in an acceptable manner and hereby warrant to the Agency that all materials and equipment furnished under the Contract will be new, unless otherwise agreed by the parties, and that all work will be of good quality, free from faults and defects and in conformance with the specifications contained in Attachment A of this Contract and any other drawings and plans agreed to by the parties hereto. Furthermore, all work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective.
 - 1.3 Perform, supervise, and direct the work using his best skills and attention, said Contractor being solely responsible for all construction, methods, techniques, sequences, and procedures.

- 1.4 Be responsible to the Agency for the acts and omissions of his employees, subcontractors, and their agents and employees, and other persons performing and other work under a contract with the Contractor.
- 1.5 Provide and pay for all labor, materials, equipment, tools, construction equipment and machinery, transportation, and other facilities and services necessary for the proper execution and completion of the work.
- 1.6 Give all notices and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the work.
- 1.7 At all times keep the premises and rooms clean and free from accumulation of waste materials or rubbish caused by his operations, and at the completion of the work, the Contractor shall remove all his waste material and rubbish from and about the project, as well as all his tools, construction equipment, machinery, surplus materials, and any material and equipment removed or replaced by the Contractor as part of the work performed. If the Contractor fails to clean up at the completion of work, the Agency may do so, and the cost thereof shall be charged to the Contractor and may be off-set against any obligations owed to the Contractor by the Agency.
- 1.8 Re-execute any work that in the opinion of the Agency fails to conform to the requirements of the Contract and that appears during the progress of the work, and shall remedy any defects to faulty materials or workmanship which appear within a period of one (1) year from the date of completion on Attachment A. The provisions of this article apply to work done by subcontractors, as well as to work done by direct employees of the Contractor.
- 1.9 Prior to disbursement of funds by the Agency, furnish the Owner or Renter with all manufactures' and suppliers' written guarantees and warranties covering material and equipment furnished under the Contract.
- 1.10 Warrant that no part of the total Contract amount provided herein shall be paid directly or indirectly to any officer or employee of the Agency as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.
- 1.11 No person on the grounds of handicap, race, color, religion, sex, age or national origin will be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract, or in the employment practices of the Contractor. The Contractor shall upon request show proof of such non-discrimination, and shall post in conspicuous places, available to all employees and applicants, notices of non-discrimination.

- 1.12 Maintain documentation for all charges against the Agency under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained in conformity with generally accepted accounting principles for a period of three (3) full years from the date of the final payment, and shall be subject to audit at any reasonable time and upon reasonable notice, by the Agency or the Comptroller of the Treasury, State of Tennessee, or either's duly authorized representatives, or a licensed independent accountant.
- 1.13 Permit an authorized representative of the Agency to inspect the weatherization work at any time during the progress of the work and before final payment is made.
2. The Agency shall have the right to require the Contractor to furnish bonds covering the faithful performance of this Contract and the payment of all obligations arising there under.
3. The Contractor shall purchase and maintain such insurance as will protect him from claims set forth below which may arise out of or result from the Contractor's operations under this Contract whether such operations be by himself or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable.
- 3.1 Claims under Worker's or Workmen's Compensation disability benefit and other similar employee benefit Acts. Should the Worker's or Workmen's Compensation insurance coverage for the Contractor lapse or be canceled without the knowledge of the Agency, the Contractor will assume all liability for claims which may arise out of or result from the Contractor's or any of his employees' or Subcontractors' operations under this Contract.
- 3.2 Claims for damages because of bodily injury, occupational sickness or disease, or death of his employees.
- 3.3 Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees.
- 3.4 Claims for damages insured by the usual personal injury liability coverage that are sustained (1) by any person as a result of any offense directly or indirectly related to the employment of such person by the Contractor or (2) by any person.
- 3.5 Claims for damages, other than for the work itself because of injury to or destruction of tangible property, real or personal, including loss of use resulting there from.
- 3.6 Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle.

4. The insurance required by Section 3 hereof shall be written in an amount acceptable to the Agency, and prior to commencement of the work, the Agency has the right to require the Contractor to file with it certificates of insurance evidencing such coverage.
5. To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Agency and its agents and employees from and against all claims, damages, losses, and expenses, including but not limited to attorney's fees, arising out of or resulting from, whether directly or indirectly, the performance of the work, the enforcement of this Agreement, or any other source. In any and all claims against the Agency or any of its agents or employees by any employee of the Contractor, and subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation herein shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or subcontractor under Worker's or Workmen's Compensation Acts, disability benefit Acts or other employment benefit Acts.
6. The Contractor shall release and hold harmless the TDHS and their agents and employees from and against all claims demands, liabilities, suits, damages, and costs of every kind and nature whatsoever, including court costs and attorney's fees, arising out of or caused by the Contractor or subcontractor and/or its officers, agents, or employees in the installation of the energy saving devices and in the weatherization of dwelling units under this contract.
7. The Contractor will furnish all labor, equipment, and materials, with the exception of the energy saving devices, and do all work described in Attachment A, in accordance with this Agreement.
8. After Contractor has completed all work and passed a final inspection by an Agency representative, the Agency hereby promises to pay the sum specified in Attachment A to this Contract, provided that the work has been performed in accordance with the terms hereof and upon submission of an invoice by Contractor for services performed.
9. Attachment A to this Contract shall include any and all proposals, drawings and plans (if necessary) for materials and workmanship.
10. This Contract shall be governed by the laws of the State of Tennessee.
11. The Contractor and the Agency each binds himself, his partners, successors, assigns, and legal representatives to the other parties hereto and to the partners, successors, assigns and legal representatives of such other party in respect to all, covenants, agreements, and obligations contained in this Agreement. Neither party to this Agreement shall assign this Agreement or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any monies due or to come due to him hereunder, without the previous written consent of the Agency.

12. The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.
13. No action or failure to act by the Agency shall constitute a waiver of any right or duty afforded under this Agreement, nor shall any action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.
14. Time is hereby agreed to be of the essence.
15. Attachment A, once agreed upon and signed by the Agency and the Contractor, shall become a legal and binding part of this Contract.
16. Upon submission of a final passing inspection by the authorized representative of the Agency of the work specified in Attachment A, and upon the submission of a correct and legible invoice from the Contractor, the Agency shall pay to the Contractor the total payment due within thirty (30) days. In no event, regardless of cause, will the Agency pay for work not completed by the Contractor and/or not inspected or not approved by its authorized representative. In instances when a client refuses Contractor permission to install materials specified in and authorized by Attachment A, the Agency will reimburse Contractor only for the cost of any restocking fees or service charges, not to exceed ten percent (10%) of the cost of the materials, which may be charged by Contractor's supplier.

If a client refuses the Contractor's request to install custom-made materials which cannot be returned to the supplier, then the Agency will reimburse the Contractor for the cost of such materials and include them in its inventory. In no case will the Agency reimburse the Contractor for the cost of labor which was not performed because materials were refused by a client.

17. The provisions of Attachment B, "Weatherization Contractors' Policies and Procedures" (delisting procedures), are incorporated into this Agreement and are an essential part thereof.
18. Violation of any of the conditions, provisions, or requirements of this Agreement, including those in Attachment B, by the Contractor shall give the Agency the option of immediately canceling this Agreement and any further payments thereunder, except for acceptable work performed prior to the violation. Further, such violation shall give the Agency the option of disqualifying the Contractor from eligibility to participate in the Weatherization Assistance Program until such time as eligibility is re-established.

19. This Agreement constitutes the complete and final agreement between the parties. Any amendments, modifications, additions, or changes thereto shall be void unless both parties give their written consent to such amendments, modifications, additions, and changes.

Executed this _____ day of _____, _____.

Name of Contractor

Signature of Contractor

Name of Executive Director (or Authorized Official)

Signature of Executive Director (or Authorized Agency Official)

Address of Contractor

Address of Agency

**ATTACHMENT A TO STANDARD CONTRACTOR'S AGREEMENT
WEATHERIZATION ASSISTANCE PROGRAM**

AGENCY _____ JOB NO. _____

Owner's/Renter's Name _____

Address _____

Telephone No. _____

1. The Contractor shall provide the aforementioned client with the following weatherization services:

CONTRACTED SERVICES

Caulking		\$			
Weather-stripping		\$			
Threshold(s)		\$			
Attic Insulation		\$			
Floor Insulation		\$			
Moisture Barrier(s)		\$			
Soffit Vent(s)		\$			
Roof Vent(s)		\$			
Gable Vent(s)		\$			
Incidental Repairs (Specify)		\$			

MEASURE QUANTITY Smoke Detector		\$
Water Heater		\$
Refrigerator		\$

TOTAL
PRICE.....\$_____

2. The Contractor must commence work on _____. At the option of the _____,
(AGENCY NAME)
this Contract may be canceled if the Contractor fails to begin work on the date specified.
3. The Contractor must satisfactorily complete work by _____, _____, in a good and workmanlike manner.
4. For the consideration named herein, Contractor will furnish all labor, equipment, and materials, and do all the work in accordance with the AGREEMENT dated _____, for the total amount stated below:

Material \$_____

Labor \$_____

TOTAL \$_____

Executed this _____ day of _____, _____.

Name of Contractor

Signature of Contractor

Name of Executive Director
(or Authorized Official)

Signature of Executive Director
(or Authorized Agency Official)

EXHIBIT J

**WAP ASSISTANCE PROGRAM AMENDMENT TO CONTRACTOR AGREEMENT
(ATTACHMENT A):
EXTENSION AND/OR CHANGE ORDER
(ATTACH COPY TO CONTRACTOR AGREEMENT - ATTACHMENT A)**

_____ (Agency's Name)
and

(Contractor's Name)
Client's Name _____
Address _____
Weatherization Job # _____ Contract # _____

PART A. Due to complications outlined below, the completion date for this job is changed to: _____.

Reason for change of date: _____

PART B. Change Order:

Description of work order change: _____

Justification for change: _____

Date of On-Site Visit (if \$100 or more change) _____

	DOE LABOR	DOE MATERIALS	LIHEAP LABOR	LIHEAP MATERIALS
CONTRACTOR'S BID PRICE	\$	\$	\$	\$
ADJUSTMENT (+ OR -)	\$	\$	\$	\$
FINAL PRICE	\$	\$	\$	\$

CONTRACTOR'S SIGNATURE _____ DATE _____

WAP COORDINATOR'S SIGNATURE _____ DATE _____

FISCAL OFFICER'S (OR AUTHORIZED
OFFICIAL'S SIGNATURE) _____ DATE _____

EXHIBIT K

**WEATHERIZATION ASSISTANCE PROGRAM
AGREEMENT FOR THE PERFORMANCE OF ENERGY SURVEYS/INSPECTIONS**

THIS AGREEMENT made and entered into this _____ day of _____, _____, by and between _____, hereinafter referred to as the "Agency", and _____, hereinafter referred to as "Contractor".

WITNESSED

WHEREAS, the Tennessee Department of Human Services has allocated funds to the Agency under the U. S. Department of Energy's (DOE) Weatherization Assistance Program (WAP), and the U. S. Department of Health and Human Services' Low Income Home Energy Assistance Program (LIHEAP) to implement and supervise weatherization assistance services designed to improve the heating efficiency of certain structures owned or rented by persons eligible for benefits of the DOE/WAP and the LIHEAP, and

WHEREAS, the Contractor desires to provide the work necessary to survey and/or inspect eligible dwelling units under the DOE/WAP and LIHEAP Weatherization Assistance Component.

NOW, THEREFORE, the parties hereto, in consideration of the promises and the mutual promises herein contained, hereby covenant and agree as follows:

1. The Contractor shall:
 - 1.1 Commence and complete all WAP surveys and/or inspections by the dates agreed upon between the Agency and the Contractor as set forth in Attachment A and Attachment B of this Contract.
 - 1.2 Perform the surveys in an acceptable manner to the Agency.
 - 1.3 Perform, supervise, and direct the WAP surveys and/or inspections using his/her best skills and attention.
 - 1.4 Be responsible to the Agency for the acts and omissions of the Contractor's employees.
 - 1.5 Provide for all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution and completion of the WAP contracted surveys and/or inspections.

- 1.6 Give all notices and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the surveys and/or inspections.
 - 1.7 Re-execute any WAP surveys and/or inspections that in the opinion of the Agency fail to conform to the requirements of this agreement.
 - 1.8 Permit an authorized representative of the Agency to review the WAP surveys and/or inspections at any time during the progress of the work and before final payment is made.
2. The Agency shall have the right to require the Contractor to furnish bonds covering the faithful performance of this agreement and the payment of all obligations arising thereunder.
3. The Contractor shall purchase and maintain such insurance as will protect the Contractor from claims set forth below which may arise out of or result from the Contractor's operations under this agreement:
 - 3.1 Claims under Worker's or Workmen's Compensation disability benefit and other similar employee benefit Acts. Should the Worker's or Workmen's Compensation insurance coverage for the Contractor lapse or be canceled without the knowledge of the Agency, the Contractor will assume all liability for claims which may arise out or result from the Contractor's operation under this agreement.
 - 3.2 Claims for damages because of bodily injury, occupational sickness or disease, or death of his employees.
 - 3.3 Claims for damages because of bodily injury, sickness or disease, or death of any person other than his employees.
 - 3.4 Claims for damages insured by the usual personal injury liability coverage which are sustained (1) by any person as a result of any offense directly or indirectly related to the employment of such person by the Contractor or (2) by any person.
 - 3.5 Claims for damages, other than the work itself because of injury to or destruction of tangible property, real or personal, including loss of use resulting there from.
 - 3.6 Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle.

4. The insurance required by Section 3 hereof shall be written in amount acceptable to the Agency, and prior to commencement of the work, the Agency has the right to require the Contractor to file with it certificates of insurance evidencing such coverage.
5. To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Agency and its agents and employees from and against all claims, damages, losses, and expenses, including but not limited to attorney's fees, arising out of or resulting from, whether directly or indirectly, the performance of the work, the enforcement of this Agreement, or any other source. In any and all claims against the Agency or any of its agents or employees by any employee of the Contractor, and subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation herein shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or subcontractor under Worker's or Workmen's Compensation Acts, disability benefit Acts or other employment benefit Acts.
7. Attachment A to this Contract shall include any and all proposals, drawings and plans (if necessary) for materials and workmanship.
8. This Contract shall be governed by the laws of the State of Tennessee.
9. The Contractor and the Agency each binds himself, his partners, successors, assigns, and legal representatives to the other parties hereto and to the partners, successors, assigns and legal representatives of such other party in respect to all, covenants, agreements, and obligations contained in this Agreement. Neither party to this Agreement shall assign this Agreement or sublet it as a whole without the written consent of the other, nor shall the Contractor assign any monies due or to come due to him hereunder, without the previous written consent of the Agency.
10. The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.
11. No action or failure to act by the Agency shall constitute a waiver of any right or duty afforded under this Agreement, nor shall any action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.
12. Time is hereby agreed to be of the essence.
13. Attachment A and Attachment B, once agreed upon and signed by the Agency and the Contractor, shall become a legal and binding part of this Contract.

14. Upon submission of a correct and legible invoice from the Contractor, the Agency shall pay to the Contractor for the Contractor's pro rata costs in performing the surveys and/or inspections in accordance with the payment procedure identified in the Special Terms and Conditions of the Agency's WAP contract with the TDHS. In no event, regardless of cause, will the Agency pay for surveys and/or inspections not completed by the Contractor.
15. Violation of any of the conditions, provisions, or requirements of this Agreement by the Contractor shall give the Agency the option of immediately canceling this Agreement and any further payments thereunder, except for acceptable work performed prior to the violation.
16. This Agreement constitutes the complete and final agreement between the parties. Any amendments, modifications, additions, or changes thereto shall be voidable unless both parties give their written consent to such amendments, modifications, additions, and changes.

Executed this _____ day of _____, _____.

Name of Contractor

Signature of Contractor

Name of Executive Director (or Agency Authorized Official)

Signature of Executive Director (or Authorized Agency Official)

Address of Contractor

Address of Agency

**WEATHERIZATION ASSISTANCE PROGRAM (WAP)
ATTACHMENT A TO SURVEY/INSPECTION AGREEMENT**

1. The Contractor must commence the **SURVEY** work on _____,

for the dwelling unit located at _____
Street Address

City State Zip Code Telephone Number

At the option of the _____,
(AGENCY NAME)

this Contract may be canceled if the Contractor fails to begin the survey on the date specified.
2. The Contractor must satisfactorily complete the survey work by _____,
in a good and workmanlike manner.
3. For the consideration named herein, the Contractor will furnish all labor, equipment, and materials to perform this survey in accordance with the agreement dated _____, _____.
4. Upon being properly signed, this agreement becomes a legal and binding part of the contract dated _____, _____.

Executed this _____ day of _____, _____.

Name of Contractor	Signature of Contractor
--------------------	-------------------------

Name of Weatherization Coordinator	Signature of Weatherization Coordinator
------------------------------------	---

Name of Fiscal Officer (or Authorized Representative)	Signature of Fiscal Officer (or Authorized Representative)
---	--

Name of Executive Director (or Authorized Representative)	Signature of Executive Director (or Authorized Representative)
---	--

"STANDARD"

**WEATHERIZATION ASSISTANCE PROGRAM (WAP)
ATTACHMENT B TO SURVEY/INSPECTION AGREEMENT**

1. The Contractor must commence the **INSPECTION** work on _____,
_____, for the dwelling unit located at _____
Street Address

City State Zip Code Telephone Number

At the option of the _____,
(AGENCY NAME)

This Contract may be canceled if the Contractor fails to begin the inspection on the date specified.

2. The Contractor must satisfactorily complete the inspection work by _____,
_____, in a good and workmanlike manner.
3. For the consideration named herein, the Contractor will furnish all labor, equipment, and materials to perform this inspection in accordance with the agreement dated _____, _____.
4. Upon being properly signed, this agreement becomes a legal and binding part of the contract dated _____, _____.

Executed this _____ day of _____, _____.

Name of Contractor

Signature of Contractor

Name of Weatherization
Coordinator

Signature of Weatherization
Coordinator

Name of Fiscal Officer (or
Authorized Representative)

Signature of Fiscal Officer (or
Authorized Representative)

Name of Executive Director
(or Authorized Representative)

Signature of Executive Director
(or Authorized Representative)

EXHIBIT L

EXHIBIT M

**TENNESSEE DEPARTMENT OF HUMAN SERVICES
WEATHERIZATION ASSISTANCE PROGRAM
FISCAL SERVICES REPORT OF UNITS COMPLETED**

Agency Name: _____

Contract Number: _____ Report Period: From _____ to _____

1. Units Completed	DOE	LIHEAP
A. Total number of new completions for eligible households completed during the month	_____	_____
B. Total number of re-weatherized units for eligible households completed during the month	_____	_____
C. Total all eligible households completed During the month	_____	_____

2. Financial Information

A. DOE Material and Labor Cost:	\$ _____
B. LIHEAP Material and Labor Cost:	\$ _____
C. DOE Health & Safety Cost:	\$ _____
D. TOTAL	\$ _____

Total material cost and total labor cost must balance with material and labor cost reflected on the Data Sheets and the Invoice for the Reimbursement. If no funds are used for this month, please put zero (0) in the blank space for either DOE or LIHEAP.

**TENNESSEE DEPARTMENT OF HUMAN SERVICES
Weatherization Assistance Program
Monthly Data and Client Services Report***

Report Month: _____

Agency: _____

Number of new applications taken this month: _____

Number of households currently on waiting list: _____

Number of referrals from the LIHEAP program this month: _____

Number of units surveyed this month: _____

Number of units deferred this month: _____

Number of units weatherized this month: _____

Number of units re-weatherized this month: _____

Average cost per unit paid on behalf of each client household: _____

Per client administrative cost: _____

*** Payment of the monthly invoice is contingent upon receipt of the Monthly data and Client Services Report.**

EXHIBIT N

**TENNESSEE DEPARTMENT OF HUMAN SERVICES
WEATHERIZATION ASSISTANCE PROGRAM
POLICY OR PROCEDURE INQUIRY**

Policy/Procedure Topic:

Related to State Plan Section:

Description of Situation:

Question: _____

Signed: _____ Date: _____

Position: _____ Agency: _____

Answer:

Signed: _____ Date: _____

Position: _____ DHS Section: _____

(Use Reverse Side, If Needed)

EXHIBIT 0

Fuel Release Form

I, _____, hereby authorize the release of all information pertaining to my fuel bills, both past and future to the following agency: _____, or its designee.

Fuel Supplier _____

I understand that this information will be used only to provide data for the Low Income Weatherization Assistance Program (WAP) and the Low Income Home Energy Assistance Program (LIHEAP) and the information obtained through this release shall not be made public in such a manner that the dwelling or occupants may be identified.

Applicant Signature: _____

Date: _____

Agency Staff: _____

Date: _____

EXHIBIT P

Health and Safety Checklist

Combustion Appliance

APPLIANCES	CO READING		CORRECTIVE ACTION
	<u>INITIAL</u>	<u>FINAL</u>	
Living Area (Ambient Air)	_____	_____	_____
Space Heater # 1	_____	_____	_____
Space Heater # 2	_____	_____	_____
Space Heater # 3	_____	_____	_____
Space Heater # 4	_____	_____	_____
Space Heater # 5	_____	_____	_____
Furnace	_____	_____	_____
Water Heater	_____	_____	_____
Kitchen Range/Oven	_____	_____	_____
Burner # 1	_____	_____	_____
Burner # 2	_____	_____	_____
Burner # 3	_____	_____	_____
Burner # 4	_____	_____	_____
Fireplace/Stove	_____	_____	_____
Other	_____	_____	_____

Carbon Monoxide

Action Levels

Living Area (Ambient Air)	09 PPM
Unvented Space Heaters	25 PPM
Top Burners on Cook Stove	25 PPM
Cooking Ovens	100 PPM
Gas Appliances, in Flue	100 PPM

Blower Door Diagnostics: CFM at 50 _____

Initial Test: _____ House Pressure: _____ Fan Pressure: _____

Final Test: _____ House Pressure: _____ Fan Pressure: _____

Agency Representative Signature

Date

EXHIBIT Q

CONFIRMATION OF RECEIPT OF LEAD PAINT PAMPHLET

I have received a copy of the pamphlet, *Protect Your Family From Lead in Your Home*, informing me of the potential risk of lead hazard exposure. I have been made aware that my house may have lead hazards, and that the Weatherization Assistance Program (WAP) measures installed on my home will not disturb the lead-based paint.

Printed Name of Recipient

Date

Signature of Recipient

EXHIBIT R

REQUEST FOR LOCAL LEVEL HEARING

I, _____, whose
address is _____
APPELLANT'S NAME

hereby request a hearing at the Department of Human Services' level through the "Right to Appeal Process" because:

- ☐ I was not provided the opportunity to submit an application; or
- ☐ I was denied weatherization assistance (for reasons other than a lack of funding); or
- ☐ I did not receive notification concerning the status of my application request by the local agency within the required 90-day time period; or
- ☐ I am dissatisfied with the assistance or service; or
- ☐ Other: _____

Signature of Appellant or Representative

Date*

****Requests for a Hearing must be made within 30 days of denial or receipt of assistance or services.***

FOR AGENCY USE ONLY

Date Appeal Received

Received By

Local Agency Hearing Information:

Date

Place

Time

Address

Telephone

City/County

Disposition: _____ Assistance Approved

\$ _____

_____ Assistance Denied-Reason: _____

Date Appellant notified of action taken: _____

Signatures:

Board Chair or Hearing Officer

Date

Executive Director

Date

WAP Coordinator

Date

REQUEST FOR DEPARTMENTAL LEVEL HEARING

I, _____, whose
address is _____
APPELLANT'S NAME

hereby request a hearing at the Department of Human Services' level through the "Right to Appeal Process" because:

- ☐ I was not provided the opportunity to submit an application; or
- ☐ I was denied weatherization assistance (for reasons other than a lack of funding); or
- ☐ I did not receive notification concerning the status of my application request by the local agency within the required 90-day time period; or
- ☐ I am dissatisfied with the assistance or service; or
- ☐ Other: _____

Date my hearing at the local agency was held: _____

The decision at the local level was: _____

Date I was notified of the hearing outcome: _____
(Please attach the letter or other documentation that you received from the local agency.
Appeals must be filed within 30 days of the disposition at the local level.)

Signature of Appellant or Representative

Date

Please mail this form to: Regina Surber, Director
Community Services
Tennessee Department of Human Services
400 Deaderick Street 14th Floor
Nashville, TN 37248

A staff person from the Department's Hearing & Appeals office will contact you regarding the date for your hearing.

FOR DEPARTMENT USE ONLY

Date Appeal Received

Received By

Date hearing request was forwarded to Hearing & Appeals section: _____

Regina Surber, Director
Community Services

Date

EXHIBIT S

Client Education Checklist

Client's Name: _____ Job#: _____

Address: _____ State: _____ Zip: _____

Telephone Number: _____

Smoke Detector

Client was instructed on how often to test smoke detector, replace batteries and what to do when chirping sound is heard.

Date Installed: _____

Space Heater

Client was instructed on how to operate and maintain appliance and given owner's manual and instruction.

Date installed: _____

Smart Thermostat

Client was instructed on how to operate thermostat, replace batteries (if necessary) and given owner's manual.

Date installed: _____

Carbon Monoxide Detector

Client was instructed on how to test carbon monoxide detector, replace batteries, and what to do when alarm is heard.

Date installed: _____

Client Signature

Date

Agency Representative Signature

Date

Review and Checklist

	Yes	No
1. Has health and safety of the client(s) been adequately addressed?		
2. Does client education properly address health and safety concerns?		
3. Has over-all safety been addressed as it relates to state policy?		
3. Are procedures for client safety during the weatherization adequately addressed during client intake and/or the audit?		
4. Are safety issues adequately addressed at the time the energy audit is performed?		
5. Has the State issued appropriate instructions regarding the treatment of asbestos?		
6. Are combustion systems and the potential safety hazards they present adequately addressed?		
8. Does the energy audit consider moisture, and is mitigation for moisture problems considered?		
9. Are other indoor air quality concerns properly addressed, i.e., radon, fiberglass, volatile, organic compounds, CO, airborne particulate, etc?		
10. Is the electrical wiring system adequately addressed?		
11. Are potential hazards associated with the plumbing system adequately addressed?		
12. Are the Heating and Central Air Conditioner systems operating properly?		
13. Is safety addressed in general workmanship practices?		

EXHIBIT T

WEATHERIZATION ASSISTANCE PROGRAM
SUBRECIPIENT REVIEW GUIDE
STATE FISCAL YEAR 2007-2008

Subrecipient: _____	Grant Agreement Number: Z-_____
Address: _____ _____	Telephone Number: _____
Board Chairperson: _____	Type: ____ Non-profit ____ Local government
Date(s) of On-Site Review: _____	Program Director: _____
Signature of Lead Monitor: _____	Reporting Period Reviewed: _____
Exit Conference Date: _____	Staff Interviewed: _____

REVIEW ITEM	Y	N	N/A	COMMENTS
A. PRELIMINARY STEPS				
1. Does staff have a copy of the Grant Agreement for current year on file?				
2. Has staff reviewed Grant Agreement?				
3. Does staff have a full understanding of subrecipient responsibilities under Grant Agreement?				
4. Does staff have a copy of the current WAP State Policies and Procedures Plan?				
5. Does staff have a full understanding of subrecipient responsibilities under the WAP State Policies and Procedures Plan?				
6. Is the sign posted for the Comptroller's Hotline Number (Waste, Fraud and Abuse Complaints)?				

B. CIVIL RIGHTS	Y	N	NA	Comments
1. Does the subrecipient appear to equitably serve customers regardless of race, color, national origin, age, sex, or handicap?				
2. Is the program information available to the public?				
3. Do program related materials provided to the public include a non-discrimination statement and complaint procedures?				
4. Is multi-lingual information needed?				
5. Is multi-lingual information provided?				
6. Does the subrecipient have procedures for handling complaints?				
7. Has the subrecipient received any discrimination complaints?				
8. If any complaints have been received, has any action been taken?				
9. Is racial/ethnic data maintained on file?				
10. Has civil rights training been conducted for the staff? Identify date of last training.				
11. Does subrecipient appear to be in compliance with requirements of the Civil Rights Act of 1964?				
12. Has the agency developed a written Sub-recipient Title VI Plan as required by the Department?				
13. Has this plan been reviewed with all staff and volunteers?				
14. Has a copy of the written plan been submitted to the Department?				
15. Has the agency designated a staff person as the Title VI Coordinator to be responsible for compliance with regulations at their agency?				

C. APPLICATION INTAKE/ELIGIBILITY	Y	N	NA	Comments
2. Are annual household incomes for customer applications being correctly determined?				
2. Are federal income guidelines and categorical eligibility policies being observed in determining customer eligibility?				
3. Are eligible applications received being prioritized in compliance with the Priority Points System?				
4. Are LIHEAP customers referred to WAP being included in the application intake process for weatherization services?				
5. Are applicants notified of their application status in a timely manner (i.e., within 30 days of subrecipient receipt of complete application)?				
6. If a second party signs a customer application or other required form, is there documentation of the relationship between the customer and the second party, and of the circumstances that required the second party to complete and/or sign the application or other required forms?				
D. PRODUCTION/EXPENDITURES				
1. Have any non-federal resources been leveraged and reported as income to the program?				
2. Is the subrecipient utilizing the NEAT computer software to perform energy surveys?				
3. Are state certified subrecipient staff performing energy surveys and inspections?				

E. PRIVATE CONTRACTORS	Y	N	NA	Comments
1. Has the subrecipient selected its eligible contractor pool in compliance with state policies?				
2. Are competitive bids being received in compliance with one of the three (3) methods authorized?				
3. Are bid openings and awards being performed in compliance with state policies?				
4. Are bids that are received in excess of expenditure limits being reduced in compliance with DHS policies?				
5. Are payments to private contractors being made in a timely manner (i.e., within 30 days of receipt of invoices from private contractors)?				
6. Does the subrecipient have a delisting policy in place?				
7. Has the subrecipient delisted any private contractor during the current or previous program year? If yes, what is the current status of the contractor(s) and any activity to re-establish their eligibility to participate in the program.				
F. REVIEW OF WORK PERFORMED				
1. Are there any workmanship and installation problems with the work performed on customer homes?				
2. Are labor and material costs within the expenditure limits for each funding source?				
3. Have the dates of inspection occurred after the Attachment A dates for the commencement and completion of work for each dwelling unit served?				

G. SUBRECIPIENT MONITORING	Y	N	NA	Comments
1. Are required monitoring functions being performed by subrecipient staff?				
2. Have any customers identified problems with the private contractors who served them under the program?				
3. If problems with contractors have been identified, has any action to correct the problems been taken? If yes, what action was taken?				
H. MAINTENANCE OF RECORDS				
1. Are procedures in place to safeguard the confidentiality of employee and customer application records and to ensure that only authorized personnel have access to the records?				
2. Are all WAP program and fiscal records for each state contract year maintained for three full years after the final payment is made by the DHS?				
I. DRUG-FREE WORKPLACE				
1. Has the subrecipient publicly posted the requirement for a drug-free workplace and informed its staff of this requirement?				
J. STRUCTURE/FISCAL ISSUES				
1. Have there been any changes in the administrative structure or operations of your WAP during the past year?				
2. Have there been any staff turnovers in key positions? Identify position(s) and reason(s) for turnover				
3. Does subrecipient have a copy of the Accounting and Financial Reporting Manual for Not-For-Profit Recipients of Grant Funds in Tennessee?				
4. Does subrecipient have a copy of the DHS Fiscal Policies and Procedures Manual?				
5. Does subrecipient staff appear to have a working understanding of the DHS Fiscal Policies and Procedures Manual?				
6. Is a Total Operational Budget on file? Review the budget for overview of subrecipient operations.				
7. Is there any outstanding debt to the State or federal government resulting from prior audits or monitoring reviews?				

K. REVIEW OF ACCOUNTING SYSTEM				
1. Is there a cash receipts journal?				
2. Is there a cash disbursement journal?				
3. Is there a general ledger?				
4. Is documentation adequate to provide an audit trail to/from original source documentation to the books of account?				
5. Is the general ledger maintained in a manner that provides ease in the preparation of required reports?				
6. Are revenues and expenditures properly classified in the books of account?				
7. If not properly classified, are reports linked to the books by worksheets?				
8. Are bank records reconciled monthly?				
9. Are internal control procedures documented? i.e., separation of duties, approvals, etc.				
10. Is there an approved cost allocation plan for allocating indirect cost to the WAP?				
11. Does the allocation plan appear appropriate?				
12. Review recent financial statements to evaluate the financial stability of the subrecipient.				
13. Summarize the accounting methods observed.				

L. CLAIMING PROCEDURES	Y	N	NA	Comments
1. Based on a test sample, are claims being submitted in a timely manner?				
2. Based on a test sample, are costs being reported for the correct claiming period?				
M. VENDOR PAYMENTS				
1. Is there approval for payment of invoices prior to payment actually being made?				
2. Is the approval evidenced by an initial on the face of the invoice?				
3. Are invoices canceled when paid?				
4. Are invoices coded with account codes to facilitate tracing through the accounting records?				
5. Are payments ever made based on a statement of account?				
6. Are documents supporting payments filed in a manner to be readily available?				
7. Are purchase orders utilized?				
8. If purchase orders are utilized, are expenditures supported by approved purchase orders?				
9. Are all vendor contracts in writing?				
N. TRAVEL				
1. Are travel expenditures charged to WAP funds supported by a travel claim?				
2. What is the rate utilized to reimburse mileage?				

O. TIME AND ATTENDANCE RECORDS				
1. Are salaries/wages supported by time and attendance records?				
2. Do all leave and fringe benefit payments appear to be in compliance with state and federal requirements?				
P. ALLOWABLE COST/COST PRINCIPLES				
1. Based on a test sample, are expenditures charged to WAP funds allowable, reasonable, necessary for the performance and administration of the program, and in compliance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations", and A-87, Cost Principles for State, Local and Indian Tribal Governments"?				
2. Based on a test sample, is the subrecipient in compliance with the Finance and Administration Policy 03, "Uniform Reporting Requirements and Cost Allocation Plans for Subrecipients of Federal and State Grant Monies"?				
3. Based on a test sample, are costs applied consistently and in conformance with generally accepted accounting principles?				
4. Based on a test sample, are costs charged to the WAP net of applicable credits?				
5. Based on a test sample, are costs supported by adequate documentation, such as vendor invoices, canceled checks, time and attendance records, etc.?				
6. Based on a test sample, do costs charged to the WAP represent actual and not projected amounts?				
Q. PROGRAM INCOME				
1. Based on a test sample, has any program income been received and recorded properly?				
2. Have any WAP reported costs been adjusted for program income?				
R. EQUIPMENT	Y	N	NA	Comments
1. Have any equipment costs been charged to the WAP?				
2. Has a depreciation schedule been established and utilized for equipment costs charged to WAP funds?				
3. Is equipment concerned with WAP funding available for inspection?				
4. Is there an inventory system in place for the equipment charged to WAP funds? Identify staff responsible for completing inventory.				

S. PROCUREMENT				
1. Based on a test sample, do the subrecipient's procurement policies meet minimum requirements of state and/or federal guidelines?				
2. Do the subrecipient's procurement policies provide for full and open competition?				
T. SPECIFIC TESTS				
1. Based on a test sample, were units correctly reported for the month in which inspections were completed?				
2. Review written policy and procedures regarding the provision of interpreter/translator services for clients who have limited or no English skills.				
2a) Is information regarding the free provision of these translation/interpreter services posted in a conspicuous place and available for clients to see?				
2b) Is this information posted in a language other than English, and, if so, which language (s)?				
3. Review policy and procedures regarding how Clients are informed of their Title VI rights.				
3a) Is such information available in a language other than English, and, if so, which language (s)?				
4. Are employees trained annually regarding Title VI provisions and serving clients with Limited English Proficiency (LEP)?				
4a) Are new employees trained regarding Title VI provisions and serving clients with LEP during their orientation?				

(9/03)

EXHIBIT U

**TENNESSEE WEATHERIZATION ASSISTANCE PROGRAM
DWELLING INSPECTION – MOISTURE AND MOLD CHECKLIST**

ITEM FOR INSPECTION	Y/N	EXPLANATION, IF NECESSARY
1) Are the air filters clean?	_____	_____
2) Is there any sign of water damage?	_____	_____
3) Are there any unique or objectionable odors?	_____	_____
4) Is there any blockage/obstruction to the supply/exhaust pipe?	_____	_____
5) Do the bathrooms have working exhaust fans?	_____	_____
6) Are there any signs of mold or mildew growth?	_____	_____
7) Do the combustion appliances have working flues?	_____	_____
8) Do all drains have traps?	_____	_____

Confirmation of Receipt of Mold and Mildew Pamphlet (Required if any inspection items are marked "Yes" other than questions # 1 or 5 and 7 or 8)

I have received a copy of the pamphlet, ***A Brief Guide to Moisture, Mold, and Your Home***, informing me of the potential risks, clean-up and prevention of mold problems in my dwelling unit. I received this pamphlet before the work began and all existing conditions were described to me.

Printed Name of Recipient	Date
Signature of Recipient	

Self-Certification Option (For tenant occupied dwellings only)

If the mold pamphlet was delivered but a tenant signature was not obtainable, check the appropriate box below.

[] **Refusal to Sign** – I certify that I have made a good faith effort to deliver the pamphlet, ***A Brief Guide to Moisture, Mold, and Your Home***, to the rental dwelling unit listed below at the date and time indicated and that the occupant refused to sign the confirmation of receipt. I further certify that I left a copy of the pamphlet at the unit with the occupant.

[] **Unavailable for Signature** - – I certify that I have made a good faith effort to deliver the pamphlet, ***A Brief Guide to Moisture, Mold, and Your Home***, to the rental dwelling unit listed below and that the occupant was unavailable to sign the confirmation receipt. I further certify that I left a copy of the pamphlet at the unit.

Printed Name of Person Certifying Mold Pamphlet

Attempted Delivery Time and Date

Signature of Person Certifying Mold Pamphlet Delivery

Unit Address

Note Regarding Mailing Option – As an alternative to delivery in person, pamphlet may be mail to the occupant or tenant.

EXHIBIT V

PRODUCTION AND USE OF METHAMPHETAMINE

The production and use of methamphetamine (meth) poses serious risks for program staff and clients. This policy contains information about meth in the following areas:

- ◇ general information about methamphetamine
- ◇ recognizing the physical signs of a meth production site
- ◇ the risk to personal safety that the meth user may present
- ◇ hazards from the environment
- ◇ to the program staff
- ◇ to the client
- ◇ protocol for working with law enforcement.

General Information About Methamphetamine

The production and use of methamphetamine (meth) is a significant problem in Tennessee. Meth is a synthetic stimulant that is produced in the form of pills, capsules, powder and crystal chunks. It is odorless. Pure meth is clear or white, although it can range in color from red to brown, depending on the chemicals used in its production and their contaminants. It can be ingested orally, absorbed as a suppository, smoked, snorted, or injected. Meth is highly addictive. It works by artificially stimulating the reward or pleasure area of the user's brain without causing anything beneficial to happen to the body. As the pleasure center of the brain is intensely stimulated, the chemicals released in the brain become depleted over time, so that it becomes harder and harder for the addict to achieve the desired effect.

Physical/behavioral effects of methamphetamine use include

Increased wakefulness and physical activity
Increased sensitivity to sensory stimulation such as light and sound
Decreased appetite at times leading to extreme anorexia
Increased respiration
Convulsions <i>(may result in death)</i>
Anxiety
Paranoia
Aggressiveness
Violent behavior

Hyperactivity
Tremors
Agitation
Paranoid delusional thinking (Violent and aggressive actions are characteristic of individuals using methamphetamine.)
Hypothermia <i>(may result in death)</i>
Euphoria
Irritability
Insomnia
Confusion

Other possible visible physical effects

Dilated pupils
Increased pulse rate
Injection sites if used intravenously
Body tremors
Rigid muscle tone
Increased body temperature
Teeth grinding
Dry mouth
Talkativeness
Uncontrollable movements (twitching, jerking, etc.)

Impaired speech
Dry-itchy skin
Acne
Numbness
Nasal redness and/or presence of small drug particles remaining in the nostrils if snorted
Sores (may lead to severe infection)*

*Methamphetamine addicts and users have been known to experience a phenomenon known as "crank bugs," that are chronic hallucinations in which they perceive insects are crawling on or beneath the skin. Individuals experiencing "crank bugs" will often scratch and gouge at their skin until it breaks open, subjecting the body to open sores and severe infection.

Cardiovascular side effects

Chest pain and hypertension (may also result in cardiovascular collapse and death)
Increased heart rate

Elevated blood pressure (can cause irreversible damage to blood vessels in the brain, producing strokes).

Withdrawal effects

Depression
Irritability
Mental confusion
Aggressiveness
Increased respiration and heartbeat
Defective reasoning and poor judgment
Weight loss
Anxiety and tension

Restlessness
Increased body temperature
Increased blood pressure
Dryness of lips/mouth
Decrease in energy
Difficulty in sleeping
Strong urges to use meth

Methamphetamine is a Schedule II drug under Federal regulations, meaning it has a high potential for abuse with severe liability to cause dependence. According to the Drug Enforcement Administration (DEA), methamphetamine has been the most prevalent, clandestinely produced controlled substance in the United States since 1979.

Manufacture of Methamphetamine in Clandestine Laboratories

Meth is produced from common chemicals which can be easily obtained from hardware, farm supply, grocery and drug stores. They are chemicals that are in common home and auto repair products, cold remedies and cosmetics. Meth is cooked in kitchens, garages, bathrooms, cars, or anywhere a stove or hot plate can be operated. Most, although not all, meth labs are located in secluded, rural areas to reduce the probability of detection.

Possible indicators that a meth lab may be present include:

- ◇ unusual strong odors like cat urine, ammonia, ether, acetone or other chemicals
- ◇ residences with windows blacked out
- ◇ trash piles with large amounts of empty containers from:
 - antifreeze
 - cough and cold remedies
 - nail polish remover
 - drain cleaner
 - peeled casings from lithium batteries
 - aerosol cans of starter fluid with puncture holes in the bottom, etc.
 - unusual amounts of clear glass containers—jars, beakers, flasks
 - propane tanks, plastic coolers, paint thinner
 - plastic tubing or hoses, used coffee filters with other residue, (i.e. the appearance of a home laboratory)
 - paper match books with no matches and the striker plate rubbed off

Any of the above separately would not be cause for concern. When found in combination and close proximity, the possibility of a meth lab should be considered, and the site treated as such.

Following is a list of the types of equipment, products and chemicals that are indicative of meth production:

Iodine	Drano	Muriatic/Hydrochloric Acid
Lead Acetate	Chloroform	Battery Acid/Sulfuric Acid
Lithium Aluminum Hydride	Camp Stove	Epsom Salts
Magnesium	Fuel	Batteries/Lithium
Mercuric Chloride	Starting Fluid	Sodium Metal
Palladium	Anhydrous Ammonia	Wooden Matches
Red Phosphorus Sodium	"Heat"	Propane Cylinders
Sodium Cyanide	White Gasoline	Hot Plates
Thionyl chloride	Phenyl-2-Propane	Ephedrine (over-the counter)
Alcohol	Phenylacetone	Cold Tablets
Ether	Phenylpropanolamine	Bronchodilators
Benzene	Iodine Crystals	Energy Boosters
Toluene/Paint Thinner	Red Phosphorous	Rock Salt
Freon	Black Iodine	Diet Aids
Acetone	Lye (Red Devil Lye)	

Chemicals needed to manufacture meth are found in the following common household products:

- ◇ Over-the-counter cough & cold medication
- ◇ Fingernail polish remover
- ◇ Red Devil Lye/Drano/Liquid Fire or other drain cleaner
- ◇ Camera batteries
- ◇ Table salt, rock salt
- ◇ Denatured alcohol
- ◇ Vehicle starter fluid or spray may be stolen from a farm and is often transported in a propane gas cylinder or a beer cooler
- ◇ Road flares or match heads
- ◇ Iodine crystals/Water binder obtained from farm supply store
- ◇ Liquid Heet - from an auto supply store
- ◇ Muriatic Acid
- ◇ Hydrochloric Acid

Equipment that may be used in methamphetamine production includes:

- ◇ Glass jars or mixing bowls
- ◇ Propane tanks (as used for barbecue grills) to carry anhydrous ammonia
- ◇ Plastic beer coolers to carry anhydrous ammonia
- ◇ Large amounts of coffee filters to strain liquids
- ◇ Plastic tubing or hoses
- ◇ A hot plate, camp stove or electric skillet for a heat source
- ◇ A turkey baster to remove liquid from the top of a jar

In the majority of situations in which methamphetamine is being manufactured, it is also being used by those involved in its production.

Behaviors Associated With Methamphetamine Use

There is a high probability that if meth is being manufactured, it is also being used. Meth relieves fatigue, reduces the need for sleep, increases energy levels and in general brings about psychological and physical exhilaration. Users may go for long periods without sleep. As the drug high peaks and declines, depression sets in. The user may become agitated, experience heightened sensitivity to sound, hallucinations, delusions, paranoia and sudden, unpredictable mood swings, going without warning from apparent passivity to potentially homicidal rage. This individual can be extremely dangerous, especially to anyone whom he/she perceives as a threat. If the agency staff person or subcontractor finds her/himself in a situation in which there is someone suspected of using meth, the following precautions should be taken:

Maintain a distance of at least 7 to 10 feet.

- ◇ Maintain a calm, low-pitched slow tone and pace in speech.
- ◇ Keep hands visible, avoid sudden movements.
- ◇ Keep the suspected user talking. A meth user who falls silent may be extremely dangerous. Silence often means that his/her paranoid thought may have taken over, and anyone present can become part of the user's paranoid delusions.
- ◇ Do not sit down, and avoid any contact with surfaces in the area.
- ◇ Conclude the visit as quickly as possible and leave without arousing concern that drug use is suspected.
- ◇ Immediately wash your hands, shower and change clothes if possible.
- ◇ Do not return to the site.
- ◇ Immediately inform your supervisor and law enforcement of concerns about the vulnerable adult and/or children in the home.

Environmental Hazards in Methamphetamine Production

Because meth is manufactured through the use of caustic chemicals and volatile solvents, there is a high potential for:

- ◇ fire and explosion
- ◇ chemical contamination.

The lack of proper ventilation and temperature control in these homemade labs further compounds the problem. A variety of residues and solvents produced or used in the process get dumped into the ground or streams, contaminating the area and making it a hazardous waste site. Toxic vapors and gases are a by-product of the cooking process, including phosphene gas, which is a nerve gas. These gases do not totally dissipate into the air. They are deposited on and absorbed into porous surfaces, including walls, carpet, upholstery, linens etc., and are absorbed through the skin on contact with these surfaces. The degree of environmental contamination depends on how much and for how long the product has been manufactured on the site. The site will remain a hazard until it has undergone professional hazardous material cleanup.

Typical symptoms from exposure to these toxic substances include:

- ◇ skin rashes
- ◇ unusual and persistent fatigue
- ◇ unexplained and persistent muscle aches
- ◇ headaches
- ◇ respiratory problems

Health and Safety

1. Health and safety considerations for the agency staff person or subcontractor:

a. Be prepared for the unexpected encounter of a meth lab:

- ◇ Plan to have protective gear (gloves, shoe coverings, paper gown, protective covers for car seats)
- ◇ Plan to have a complete change of clothes available
- ◇ Plan with your supervisor on ways to maximize safety from the environment or potential meth user
- ◇ Plan to contact the property authorities when a meth lab is suspected or found

b. If the staff person finds him/herself in a situation which appears to be the site of meth production:

- ◇ Do not sit down or touch any surfaces
- ◇ Observe and note (mentally) if possible specific chemicals which may be present so that observations can later be reported to medical and law enforcement personnel
- ◇ DO NOT use senses of smell or touch to attempt to identify chemicals or unknown substances
- ◇ Do not walk through any area where chemicals may have been spilled
- ◇ Conclude the visit as quickly as possible without giving any indication of suspicions regarding meth production

c. If staff is exposed to the area or building where meth may be or has been manufactured, decontamination procedures should be observed as follows:

- ◇ Change clothes, including shoes, as soon as possible; do not wear contaminated clothing, including shoes, into the home or office if at all possible
- ◇ Wash thoroughly with soap and water and shower as soon as possible
- ◇ Wash clothing in water and bleach mixture; after washing clothes, run an empty cycle through the washing machine with water and bleach mixture
- ◇ Carefully clean the soles of the shoes with water

d. If staff experience physical symptoms or suspect they have been exposed:

- ◇ Seek medical attention immediately
- ◇ Inform the doctor of the possible exposure and of any specific observations of chemicals and/or odors that may help the doctor to determine whether the symptoms are related to exposure and how to treat the condition
- ◇ Staff who believe they have been exposed to chemicals related to meth production should fill out a Safety Incident report as required by their agency

2. Health considerations for the program client:

In general, the physiological systems affected by exposure to chemicals and toxic substances will be the same for everyone. Ill, disabled or elderly adults and young children may be more sensitive because of existing health problems such as COPD, asthma, emphysema, high blood pressure, confusion, slower activity of enzymes that metabolize medication and toxic compounds, etc. For these individuals, there may be increased concern about the effects on their red and white blood cell counts, kidney, liver and lung/respiratory function.

Following is a protocol suggested by the Department of Health for assessing and responding to medical needs of the client found at a methamphetamine lab site:

- a. For an adult or young child with obvious injury or distress, call 911 or other emergency number. Indications of medical emergency include skin rashes, respiratory or other distress. Be sure to advise any emergency medical personnel of the site's status as a meth lab and of the adult patient as having been exposed to chemicals. If the individual's condition is potentially life-threatening, seek immediate treatment.
- b. For the individual whose condition is not obviously critical, plan with the program supervisor how medical authorities will be notified.

Following is a chart of chemicals commonly used in the production of methamphetamine and the hazards which they pose:

Chemical	Description	Hazards
Acetic Anhydride	Clear liquid; Vinegar odor	Vapors irritate eyes, nose and throat
Acetone	Clear liquid with sweet odor	Vapors irritate eyes and nose in high concentrations
Bromobenzene	Clear liquid, aromatic odor	Linked to leukemia
Chloroform	Clear liquid	Toxic to liver and kidneys Suspected carcinogen
Cyclohexane	Light yellow liquid with peppermint or acetone smell	Mucous membrane irritant
Benzaldehyde	Almond and cherry smell	Mild skin and respiratory irritant
Ephedrine	White crystalline substance	No major hazards
Ether	Clear liquid	DO NOT OPEN CONTAINERS Explosive
Glacial Acetic Acid	Clear liquid, solid at temperatures below 45 degrees Fahrenheit	Skin irritant
Hydriodic Acid	Clear liquid, may turn brown when exposed to air	VERY DANGEROUS Severe respiratory irritant
Hydrochloric Acid	Clear liquid	Will burn skin
Lead Acetate	White powder, heavy vinegar odor	Will absorb through skin and destroy nerve synapses
Mercuric Chloride	White powder	Deadly poison
Methylamine	Clear liquid, ammonia odor	Severe respiratory irritant, will burn skin on contact
Phenylacetic Acid	White crystals, urine odor	Skin irritant
Phenyl 2 Propanone	Clear liquid, turns amber when exposed to air	Unknown, assume worst possible risk
Piperidine	Yellow liquid with soapy feel Strong ammonia odor	Strong central nervous system depressant
Sodium Cyanide	Chunky white crystal Bitter almond smell	Will form hydrogen cyanide gas if mixed with acid
Sodium Hydroxide	Powder, pellets, or white lumps, may also be a liquid	Corrosive to all tissues
Sodium Metal	Shiny silver	Ignites when exposed to water
Thionyl Chloride	Clear, yellow or red liquid with pungent, choking odor	Severely irritating to eyes, nose, and throat
Thorium Nitrate	White powder	Alpha radiation emitter

Cooperating with Authorities

Because the clandestine production of methamphetamine is a dangerous and illegal activity, the agency staff and their subcontractors who encounter a meth lab site will need to coordinate with law enforcement as well. The following procedure has been recommended by DEA and TBI.

- ◇ If the applicant provides an address that is a known or suspected meth lab site, contact local law enforcement for advice
- ◇ If staff finds, without prior warning, that the home is a meth lab site, leave as promptly and unobtrusively as possible and immediately notify law enforcement as described below.
- ◇ Following are guidelines for law enforcement notification:
 - Local law enforcement in areas in which there is a volume of methamphetamine manufacture will have an established protocol for notifying and working with TBI and DEA. Ultimately, DEA is responsible for arranging hazardous materials (HazMat) cleanup of the site.
 - If local law enforcement does not have a protocol for meth lab response, is not able to respond promptly or seems unsure of how to respond, agency staff may decide to directly contact TBI or DEA.

The Tennessee Bureau of Investigation (TBI) will be able to coordinate their investigation with the Drug Enforcement Agency (DEA) as needed.

- TBI: Assistant Special Agent in Charge of Drug Investigations 615-744-4108;
- TBI: Assistant Director of the Drug Investigations Division 615-744-4250
- If the TBI cannot be accessed, staff can call the appropriate regional DEA branch:
 - Nashville 615-736-5988
 - Knoxville 865-584-9364
 - Chattanooga 423-855-6600
 - Memphis 901-544-3396
 - Johnson City 423-854-9100
- DEA: Vince Morgano, Special Agent, 615-736-2917

Program Considerations

Services for which the applicant applied and was approved to receive may not be provided or continued in households where it has been determined that there is a current meth lab.

If meth production is suspected, services may not be provided until local authorities can investigate the situation and advise you on the findings. If no meth lab is found, services may be provided or continued.

If an applicant for services currently resides in a home which is known to have previously been the site of a meth lab, services may not be provided until documentation is obtained that hazardous materials cleanup of the site has been completed by professionals. The degree of environmental contamination depends on how much and for how long the product had been manufactured on the site. The site will remain a hazard until it has undergone professional hazardous material cleanup.

If elderly or disabled adults or children are in a home where agency staff know or suspect that a meth lab exists, agency staff **should immediately call local law enforcement**. If an elderly or disabled person is in the home, they should also report this to the APS Intake number, 1-888-APS-TENN (1-888-277-8366). If there are children in the home, they should report this to DCS. Both Depts. field staff know to work with the first responders to protect the vulnerable person/child.

EXHIBIT W

Poverty Estimates (%) for Tennessee*

County	2003	2004	2005	3 yr. %
Anderson	9,422	10,521	10,649	1.1932%
Bedford	5,247	5,985	5,742	0.6621%
Benton	2,586	2,932	3,272	0.3429%
Bledsoe	1,946	2,247	2,608	0.2653%
Blount	11,566	12,931	14,512	1.5215%
Bradley	11,227	12,575	12,906	1.4318%
Campbell	7,821	8,761	9,800	1.0290%
Cannon	1,674	1,871	2,000	0.2163%
Carroll	4,289	4,811	5,647	0.5752%
Carter	9,324	10,257	10,603	1.1773%
Cheatham	3,324	3,808	4,197	0.4419%
Chester	2,063	2,304	2,651	0.2737%
Claiborne	5,603	6,142	6,966	0.7298%
Clay	1,339	1,475	1,763	0.1785%
Cocke	6,703	7,415	7,275	0.8344%
Coffee	6,597	7,346	8,497	0.8753%
Crockett	2,132	2,360	2,610	0.2770%
Cumberland	7,028	7,499	8,488	0.8977%
Davidson	74,132	86,977	80,656	9.4300%
Decatur	1,738	1,959	2,483	0.2410%
DeKalb	2,671	2,965	3,403	0.3526%
Dickson	5,217	5,819	6,002	0.6646%
Dyer	5,710	6,359	7,218	0.7523%
Fayette	3,702	4,418	4,757	0.5023%
Fentress	3,437	3,753	4,735	0.4651%
Franklin	4,891	5,306	5,460	0.6107%
Gibson	6,495	7,247	6,723	0.7982%
Giles	3,736	4,198	4,365	0.4797%
Grainger	3,467	3,770	4,112	0.4427%
Greene	8,958	9,804	12,140	1.2053%
Grundy	2,904	3,217	3,712	0.3835%
Hamblen	8,242	9,023	9,043	1.0261%
Hamilton	40,519	44,407	40,158	4.8789%
Hancock	1,570	1,868	2,571	0.2344%
Hardeman	4,519	5,141	5,326	0.5845%
Hardin	4,454	4,933	6,012	0.6006%

Hawkins	7,884	8,761	10,420	1.0557%
Haywood	3,343	3,692	3,814	0.4232%
Henderson	3,385	3,756	4,150	0.4404%
Henry	4,545	4,942	5,475	0.5836%
Hickman	3,286	3,724	4,322	0.4420%
Houston	1,130	1,298	1,427	0.1504%
Humphreys	2,157	2,374	2,596	0.2780%
Jackson	1,865	2,096	2,281	0.2435%
Jefferson	6,176	7,149	7,282	0.8038%
Johnson	3,169	3,588	3,988	0.4191%
Knox	49,511	54,648	61,275	6.4527%
Lake	1,391	1,620	1,942	0.1932%
Lauderdale	4,336	5,002	5,538	0.5802%
Lawrence	5,846	6,497	5,967	0.7142%
Lewis	1,675	1,883	2,071	0.2196%
Lincoln	4,215	4,633	4,611	0.5250%
Loudon	4,374	4,782	5,137	0.5575%
McMinn	6,944	7,656	9,036	0.9219%
McNairy	3,886	4,362	4,711	0.5055%
Macon	3,179	3,485	3,754	0.4064%
Madison	12,815	14,388	14,886	1.6417%
Marion	3,785	4,150	4,535	0.4864%
Marshall	3,090	3,496	4,268	0.4234%
Maury	8,586	9,503	9,995	1.0954%
Meigs	1,836	2,027	2,217	0.2371%
Monroe	6,230	6,909	6,854	0.7798%
Montgomery	17,094	16,610	16,789	1.9695%
Moore	571	631	648	0.0722%
Morgan	3,068	3,470	4,429	0.4278%
Obion	4,144	4,629	4,659	0.5239%
Overton	3,204	3,419	3,604	0.3989%
Perry	1,083	1,177	1,342	0.1405%
Pickett	759	816	946	0.0983%
Polk	2,225	2,384	2,467	0.2760%
Putnam	9,032	9,768	11,610	1.1861%
Rhea	4,146	4,717	5,144	0.5463%
Roane	6,932	7,714	7,692	0.8713%
Robertson	5,729	6,415	6,094	0.7114%
Rutherford	18,910	21,455	24,928	2.5467%
Scott	4,218	4,598	5,196	0.5465%
Sequatchie	1,778	1,974	2,048	0.2262%
Sevier	9,557	10,633	11,299	1.2282%
Shelby	148,896	171,289	164,059	18.8878%
Smith	2,180	2,421	2,672	0.2837%

Stewart	1,621	1,767	1,923	0.2072%
Sullivan	19,363	21,212	23,460	2.4977%
Sumner	13,330	13,887	14,049	1.6096%
Tipton	6,241	7,151	7,214	0.8037%
Trousdale	957	1,100	1,227	0.1281%
Unicoi	2,251	2,579	2,684	0.2931%
Union	3,191	3,559	3,537	0.4012%
Van Buren	827	895	964	0.1048%
Warren	6,023	6,551	8,620	0.8267%
Washington	14,731	16,246	15,528	1.8139%
Wayne	2,547	2,778	3,007	0.3250%
Weakley	4,719	5,309	5,851	0.6194%
White	3,522	3,898	4,071	0.4482%
Williamson	7,493	8,350	7,485	0.9099%
Wilson	7,651	8,535	7,282	0.9154%

782,885 876,762 904,142 100%

*data released annually by the Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program

EXHIBIT X

Part 4—Energy Assistance

Sec.

[71-5-401. Powers and duties of department of human services.](#)

[71-5-402. Report on eligible households — Budget — Legislative intent.](#)

[71-5-403. Veterans education benefits.](#)

71-5-401. Powers and duties of department of human services.

Unless prohibited by federal law or regulation in adopting standards and procedures for the administration of funds received under the federal low-income energy assistance program, the department of energy weatherization program, funds from any oil overcharge settlement designated for energy assistance or weatherization, and any other funds for energy assistance or energy conservation for residential units, the department of human services shall:

- (1)** Allocate funds governed by this part for the benefit of eligible individuals as follows:
 - (A)** All funds designated for weatherization to the residential weatherization program
 - (B)** All funds received under the low-income energy assistance program, and any funds from oil overcharge settlements designated for energy programs as follows:
 - (i)** No less than ten percent (10%) shall be allocated to residential weatherization; and
 - (ii)** The remainder to energy assistance grants and payments, weatherization, or other programs allowed by federal law in such amounts as authorized by the annual state appropriations act;
- (2)** Establish a process of referral and follow-up of recipients of energy assistance to weatherization assistance programs and energy audit programs conducted by energy suppliers for review of energy conservation needs;
- (3)** Promulgate by rule or regulation eligibility and benefit levels that provide that households with the highest energy need in relation to income will receive the greatest assistance. Such households shall also receive priority in references and follow-up assistance in weatherization;

- (4) Make available for advance payment federal funds in an amount needed to operate the program to locally administering agencies if any, for one (1) month or make such advances of state funds as may be allocated to the social service agency revolving fund by the annual appropriations act;
- (5) Establish a program of outreach to inform potentially eligible households of the energy assistance and weatherization programs and to assist those households in completing the application;
- (6) Promulgate by rule or regulation an application process that provides an opportunity to apply in writing to all individuals and an application form that includes only that information minimally necessary to determine eligibility, including streamlined applications for categorically eligible persons;
- (7) Establish procedures that will, to the maximum extent feasible, provide for the expenditure of all program funds and minimize rollover funds;
- (8) Count as income any utility allowance received or credited to any eligible client living in publicly assisted housing;
- (9) Not allocate any funds under this part to any newly established community action agency or program in a county having a population of less than fifty thousand (50,000) unless the human resource agency for that county declines to administer the energy assistance or weatherization programs under this part; and
- (10) Establish procedures and criteria for eligibility for emergency energy assistance programs, which shall include payment for eligible households of fuel costs upon the receipt of an official shutoff notice from any energy supplier, which emergency assistance shall be available prior to the date and time of any actual shutoff, if the request for assistance is made at least twenty-four (24) hours in advance, excluding Saturday, Sunday and holidays.

Acts 1984, ch. 852, § 1; T.C.A., § 14-21-101

71-5-402. Report on eligible households — Budget — Legislative intent. —

Until the needs of all potentially eligible households have been met, the commissioner of human services shall report annually on October 1, the number of households who would receive energy assistance payments and weatherization assistance if no transfers were made to other block grants. The commissioner of finance and administration shall take into account these needs in developing any proposed budget plan, it being the legislative intent that, to the maximum extent feasible, funds received for low-income energy assistance and weatherization go to that purpose.

[Acts 1984, ch. 852, § 2; T.C.A., § 14-21-102.]

71-5-403. Veterans education benefits

Notwithstanding any other provision of this chapter, to the extent permitted by federal law, the value of federal veterans education benefits received by an applicant shall not be included as any form of income when making eligibility determinations for assistance under this part.

[Acts 2003, ch. 239, § 8.]

RULES OF TENNESSEE DEPARTMENT OF HUMAN SERVICES COMMUNITY AND FIELD SERVICES DIVISION

CHAPTER 1240-7-1 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

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1240-7-1-.04 Ineligible Households

1240-7-1-.01 DEFINITIONS. For purposes of this chapter and for the administration of the LIEAP Program, the following definitions shall apply:

(1) *Administrative Appeal.* An appeal to the local contracting agency for a hearing, which may be requested by an applicant who is dissatisfied with the disposition of his/her application for LIEAP assistance, except when the application is denied due to a lack of funds available.

(2) *Department.* Tennessee Department of Human Services.

(3) *Elderly.* An individual who is 60 years of age or older.

(4) *Handicapped.* Any person who has a physical or mental impairment which substantially limits one or more major life activities such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, or working.

(5) *Home Delivered Energy Supplier.* Energy suppliers who deliver coal, wood, fuel oil, kerosene, and L.P. gas to households.

(6) *Home Energy.* A source of heating or cooling in residential dwellings.

(7) *Household.* Any individual or group of individuals living together as one economic unit and responsible for their residential home energy.

(8) *Household Income.* Total annual cash receipts before taxes from all sources; money wages and salaries before any deductions; net receipts from nonfarm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses); regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veteran's payments, training stipends, alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private pensions, government employment pensions(including military retirement pay), and regular insurance or annuity payments; college or university scholarships, grants, fellowships, and assistantships; and dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings. Also, Black Lung benefits will be considered income, except for the first twenty dollars of each monthly benefits. Specifically, excluded from income are utility allowances provided to public housing and Section 8 tenants; capital gains, any assets drawn down as withdrawals from a bank,

LOW INCOME ENERGY ASSISTANCE PROGRAM CHAPTER 1240-7-1
(Rule 1240-7-1-.01, continued)
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sales of property, a house, or a car; one-time payments from a welfare agency to a family or person who is in temporary financial difficulty; tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, or compensation for injury. Also excluded are noncash benefits, such as the employer-paid or union paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages, the value of food and fuel produced and consumed on farms, the imputed value of rent from owner-occupied nonfarm or farm housing, and such Federal noncash benefit programs as Medicare, Food Stamps, school lunches, and housing assistance. The earnings of a child under fourteen years of age; payments to Vista volunteers; income received under Title V of the Older Americans Act; direct benefits received by participants in the Foster Grandparents Program; and the value of child care services paid by the Department of Human Services and received by client households are also excluded from income. Finally, no assets test will be used to determine income eligibility.

(9) *LIEAP*. Created by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), as amended; the Low Income Energy Assistance Program is designed to provide assistance to offset the high rise in energy costs to eligible low income households.

(10) *Local Contract Agency*. Any local public or private non-profit agency which receives funds for the Low Income Home Energy Assistance Program under contract with the Tennessee Department of Human Services.

(11) *Owners*. Households who own or are purchasing their dwelling unit and who are responsible for their own energy costs and are making direct payments to home energy suppliers for energy.

(12) *Prioritization*. A system used by the contract agency to ensure that the lowest of income household receives assistance first.

(13) *Poverty Level*. Households whose incomes are at or below the 125% of the current poverty guidelines established by the US Office of Management and Budget.

(14) *Renters*. Households who are renting their dwelling and who are responsible for paying their own energy costs to home energy suppliers or for making payments for actual energy consumption as an undesignated portion of their rent. The household may live in a single dwelling unit or multi-family unit.

(15) *State Plan*. Document issued each fiscal year of operation by the Department of Human Services which includes the policies and procedures for the administration of the Low Income Energy Assistance Program.

(16) *Tenants*. Households who reside in public housing units or subsidized housing.

(17) *Weatherization*. Making home repairs and energy saving improvements for households to minimize heat loss and improve thermal efficiency. Components include repairs to stop heat loss through air infiltration; and the installation of a balanced combination of energy saving home improvements, including attic and floor insulation and storm windows.

Authority: TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401 et seq.; Public Acts of 1984; Chapter 852; 42 USC §8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

1240-7-1-.02 ELIGIBILITY REQUIREMENTS. To be eligible for assistance under the Low Income Energy Assistance Program as administered by the Department of Human Services, the following requirements must be met.

(1) *General Eligibility Requirements*. To be eligible, all applicants must meet the following requirements:

- (a) *Residency*. The applicant must be a current resident of the State of Tennessee.
- (b) *Income*. The applicant's household's total gross income must not exceed 125% of the poverty income guideline for a household of the same size, as established by the Federal Office of Management and Budget. The applicant must provide proper documentation to verify household income.
- (c) *Responsible Party*. The applicant must provide the name of the household's home energy supplier and the household's account number with said supplier, or satisfactory documentation of actual energy consumption.
- (d) *Providing Information*. The applicant must provide all relevant information within his/her knowledge regarding the household's energy needs, consumption, and supplier as requested by the Department.
- (e) *Disconnected Utilities*. Assistance to emergency heating applicants with disconnected utility service resulting from past due bills is prohibited, unless the LIEAP assistance in combination with other resources will provide for the reconnection of the utility service.
- (f) *Level of Assistance*. Applicants may only receive heating assistance (i.e., regular or emergency heating assistance), and summer crisis intervention assistance on a one-time basis during any fiscal year which shall begin on July 1 and end on the following June 30.

(2) *Special Eligibility Requirements For Summer Crisis Intervention Assistance And Emergency Heating Assistance*. In addition to the general eligibility requirements, applicants for summer crisis intervention assistance and emergency heating assistance must meet the special eligibility requirements established in the LIEAP State Plan. These requirements are subject to change based on revisions in applicable federal regulations, federal funding levels, and comments received during annual public hearings.

Authority : TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401; Public Acts of 1984; Chapter 852; 42 USC §8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

1240-7-1.03 APPLICATION PROCESS. All individuals wishing to do so shall be allowed to apply in writing for benefits and/or Weatherization assistance. A written application, on a form provided by the Department, must be completed by the applicant prior to a determination of eligibility. The policies and procedures for application intake, including the dates during which applications are received, are included in the LIEAP State Plan. These policies and procedures are subject to change based on revisions in applicable federal regulations, federal funding levels, and comments received during public hearings.

Authority: TCA §§14-1-105, 14-21-101, 71-1-105(12), and 71-21-101; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990.

1240-7-1.04 INELIGIBLE HOUSEHOLDS. The following households/individuals are not eligible for LIEAP assistance:

- (1) SSI recipients living in "congregate" care or "domiciliary" care facilities or foster care placements who receive SSI state supplements which correspond to these living arrangements;
- (2) Individuals In Public Or Private Institutions Whose Living Costs Are Subsidized By State Or Local Government. Examples of such individuals include, but are not limited to:
 - (a) Residents of vocational education facilities whose living costs are subsidized; and
 - (b) Persons in nursing homes or medical institutions for whom Medicaid pays over 50% of costs.
- (3) Residents of Group Living Facilities.

Authority: TCA §14-1-105; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990.

1240-7-1-.05 BENEFIT LEVELS. Benefit levels shall be based upon four (4) factors - total household income; energy burden (i.e., percent of household income expended for home energy costs); number of household members; and presence of vulnerable household members (i.e., frail elderly, disabled and infants). The policies and procedures concerned with benefit levels are included in the LIHEAP State Plan. These policies and procedures are subject to change based on revisions in applicable federal regulations, federal funding levels, and comments received during annual public hearings.

Authority: TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401; Public Acts of 1984; Chapter 852; 42 USC §8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

1240-7-1-.06 WEATHERIZATION.

(1) Local contract agencies are required to refer LIEAP applicants to the Department's Weatherization Assistance Program (WAP) if they indicate an interest in and willingness to apply for WAP assistance.

(2) All LIEAP referrals to the WAP must be made in accordance with the Department's policies.

Authority: TCA §§14-1-105, 14-21-101, 71-1-105, and 71-21-101; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984. Amendment filed September 19, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990.

1240-7-1-.07 RIGHT TO APPEAL.

(1) Any applicant who feels he/she has been aggrieved by a decision of the Department or of a local contracting agency may file an administrative appeal with the local contracting agency, provided, however, that an applicant may not appeal if the application is denied due to a lack of funds available.

(2) Each local contracting agency shall establish procedures for granting administrative appeals and conducting hearings pursuant to this section. An applicant shall follow such procedures in pursuing his/her appeal.

(3) If the applicant is not satisfied with the decision of the local contracting agency following the administrative appeal, or is denied an administrative appeal pursuant to paragraph (1), he/she may appeal to the Department for a fair hearing in accordance with Chapter 1240-5-3.

Authority: TCA §14-1-105; Public Acts of 1984, Chapter 852; 42 USC §§8621 et seq. **Administrative History:** Original rule filed October 17, 1984; effective November 16, 1984.

RULES OF TENNESSEE DEPARTMENT OF HUMAN SERVICES COMMUNITY AND FIELD SERVICES DIVISION

CHAPTER 1240-7-2 WEATHERIZATION ASSISTANCE PROGRAM

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1240-7-2-.01 ELIGIBILITY REQUIREMENTS. To be eligible for assistance under the Weatherization Assistance Program (WAP) as administered by the Department of Human Services, the following requirements must be met:

- (1) Residency. The applicant must be a current resident of the State of Tennessee.
- (2) Income. The household's income must not exceed 125% of the poverty income guidelines as established by the Federal Office of Management and Budget, or the household contains a member who has received cash assistance payments under Tennessee's Families First Program or the Supplemental Security Income (SSI) Program during the current or previous month relative to eligibility determination.
- (3) Dwelling Unit. A building containing more than four dwelling units will not be eligible for weatherization assistance due to the limited funds available.
 - (a) Before a two, three, or four-unit building can be weatherized, as least fifty percent (50%) of the dwelling units must be eligible dwelling units or will become eligible units within 180 days under a federal, state, or local government program for rehabilitating or making similar improvements to the building.
 - (b) Before any rental dwelling unit can be weatherized, the written permission of the owner or his agent must be obtained.

Authority: TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401; 42 USC §6851 *et seq.*
Administrative History: Original rule filed September 30, 1985; effective December 14, 1985. Amendment filed July 26, 2000; effective October 9, 2000.

1240-7-2-.02 BENEFIT LEVELS.

- (1) Benefit levels shall be determined by the following:
 - (a) Recommendations of weatherization measures contained in energy survey reports prepared by the State certified staff of local contract agencies, or by eligible contractors employed by local contract agencies through a competitive bidding system;
 - (b) Priority weatherization measures identified in the WAP State Plan prepared by the Department of Human Services for each fiscal year of operation; and
 - (c) The maximum benefit levels identified in the WAP State Plan prepared by the Department of Human Services for each fiscal year of operation.

WEATHERIZATION ASSISTANCE PROGRAM CHAPTER 1240-7-2

(Rule 1240-7-2-.02, continued)

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(2) Priority will be given to identifying and providing weatherization assistance to elderly and handicapped low income persons, single-family dwelling units, and other high energy consuming dwelling units according to the Priority Points System included in the WAP State Plan prepared by the Department of Human Services for each fiscal year of operation.

Authority: TCA §§4-5-202; 71-1-105; 71-1-105(12); 71-5-401; 42 USC §6851 et seq.

Administrative History: Original rule filed September 30, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

1240-7-2-.03 APPLICATION PROCESS. All individuals wishing to do so shall be allowed to apply in writing for weatherization assistance under the program. A written application must be completed by the applicant prior to a determination of eligibility. Only that information minimally necessary to determine eligibility will be required on the application.

Authority: TCA §§14-1-105, 14-21-101; 42 USC §§6851 et seq. **Administrative History:** Original rule filed September 30, 1985; effective December 14, 1985.

1240-7-2-.04 ADDITIONAL PROGRAM REQUIREMENTS.

(1) The Department of Human Services' WAP contracting agencies are responsible for conducting outreach activities, application intake, eligibility determination, notification in writing of actions taken on all applications, prioritization of eligible applicants, protection of client records, and assisting in the investigation of program fraud or abuse.

(2) Each agency's Board of Directors is responsible for establishing in writing a process for client appeals. The agency is responsible for including information concerning this process in all client notification letters. An appeal to the agency will not interfere with the client's right to request and receive a fair hearing, pursuant to Chapter 1240-5-1.

(3) Contracting agencies are responsible for adhering to each county's allocation of WAP funds by weatherizing a proportional number of units within each county of its service area in relation to its total agency WAP allocation.

(4) Financial assistance provided through the WAP will be used to supplement, and not supplant, state or local funds and to the maximum extent practicable as determined by the Department of Energy to increase the amounts of these funds that would be made available in the absence of federal funds provided under WAP.

(5) To the maximum extent practicable, contracting agencies will secure the services of volunteers, training participants, and public service employment workers, pursuant to the Job Training Partnership Act, to work under the supervision of qualified supervisors and foremen.

(6) To the maximum extent practicable, the use of weatherization assistance shall be coordinated with other federal, state, local, or privately funded programs in order to improve energy efficiently and to conserve energy.

WEATHERIZATION ASSISTANCE PROGRAM CHAPTER 1240-7-2

(Rule 1240-7-2-.04, continued)

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(7) The low income members of an Indian tribe shall receive benefits equivalent to the assistance provided to other low income persons within Tennessee.

(8) No dwelling unit may be reported to the Department of Human Services as completed until a state certified local contract agency representative, or eligible private contractor employed by a local contract agency, has performed a final inspection and certified that all applicable work has been completed in a workmanlike manner and in accordance with the survey policies and procedures identified in the WAP State Plan. All work must pass inspection before payment is made by local contract agencies to private weatherization contractors. The Department of Human Services will not reimburse local contract agencies for any work which has not passed a final inspection.

(9) All local contract agencies are responsible for adhering to the procedures and policies contained in the WAP State Plan for the administration of the program. The policies and procedures in the WAP State Plan are subject to change based on revisions in applicable federal regulations, changes in federal funding levels, and comments received during annual public hearings.

Authority: TCA §§4-5-202, 71-1-105; 71-1-105(12), 71-5-401 and 42 USC §6851 et seq. **Administrative History:** Original rule filed September 30, 1985; effective December 14, 1985. Amendment filed January 9, 1990; effective May 1, 1990. Amendment filed July 26, 2000; effective October 9, 2000.

EXHIBIT Y



MEDIA ADVISORY

STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES

FOR IMMEDIATE RELEASE

CONTACT: REGINA SURBER

PHONE: (615) 313-4759

FEBRUARY 4, 2008

PUBLIC HEARING SET FOR STATE'S COMMUNITY SERVICES BLOCK GRANT, LOW INCOME HOME ENERGY ASSISTANCE PROGRAM AND WEATHERIZATION ASSISTANCE PROGRAM

WHAT: The Tennessee Department of Human Services will conduct a public hearing on the 2008-2009 State Plans for its Community Services Block Grant (CSBG), Low Income Home Energy Assistance Program (LIHEAP), and Weatherization Assistance Program (WAP). The Community Services Block Grant Program assists low-income individuals and families with emergency services, job development, adult education, and other self-sufficiency programs. The Low Income Home Energy Assistance Program assists low income households in meeting their home energy needs. Benefits include assistance for heating and cooling costs. The Weatherization Assistance Program assists low income households with weatherizing their homes to decrease their energy bills. Benefits include the installation of insulation and other energy saving procedures.

WHEN: Tuesday, February 19, 2008
9:00 A.M

WHERE: Citizens Plaza State Office Building
2nd Floor Auditorium
400 Deaderick Street
Nashville, TN 37243-1403

MORE: Information concerning the hearing should be addressed to:

Regina Surber, Director
Community Services
Tennessee Department of Human Services
400 Deaderick Street 14th Floor
Nashville, TN 37243-1403
Telephone: (615) 313-4759

Copies of the draft State Plans will be available in the State Office on the day of the hearing, or in advance of the hearing by contacting the number above. Written comments on the State Plans will be accepted at the above address through the close of business February 29, 2008.

Any individuals with disabilities who wish to participate in these public hearings should contact the Tennessee Department of Human Services to discuss services needed to facilitate participation in the hearing. Contact should be made no less than ten days prior to the date of the public hearing to allow the Department time to provide needed services.

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Transcript of WAP Hearing

Public Hearing Transcript

February 19, 2008

Nashville, TN

Weatherization Assistance Program (WAP)

State staff (Surber): Alright, if there is nothing else on LIHEAP, we will start the Weatherization comment period and then at the end we'll go back and wrap up and take comments and questions for all three programs just to make sure you have the opportunity to comment.

State staff (Surber): The Weatherization Assistance Program is the one non-HHS program for this group as it is funded through the Department of Energy. Hopefully, you have been keeping up with the federal discussions on WAP on any given day as to who likes the program and who doesn't. It's always interesting to watch all of that information flow through. So we will start the comment period in questions, comments, and suggestions on WAP.

Participant: I'm a contractor with SETHRA. For several years we have been requested to carry Pollution Occurrence invasion. That's a waste of money in my opinion. I made a copy of the policy and to my insurance agent and he went through it and found there is nothing not already covered in our current liability policy. So why do we as contractors have to spend \$500 / \$600 per agency in order to work? And secondly on the air sealing guides you go out Nashville area gets \$35 per 100 CFM's and Knoxville area only gets \$31. Why is there such a big difference? It is just as hard to air seal a house in Knoxville as it is in Nashville.

State staff (Prichard): I'm sorry, on your first question, what was the specific type of insurance you referred to?

State staff (Surber): Pollution Occurrence Insurance or POI. The POI, I will tell you that we've been waiting on DOE to give us a directive on that because so many complaints have come in basically saying what you just expressed that the policy you already have covers as much or more than the specific POI policy did. But this POI requirement is still in the DOE regs. They had told us about 15 months ago or so, that they would take a look at it this because of so many complaints and questions about it. A couple of months ago they sent to us there directive on it and it said that they were not going to make any changes at this time for a variety of reasons. They didn't say what the variety of reasons were. All I know is that I still have to require this policy because it is still in the DOE regs. They did say they would continue to look at it and discuss it but how long it might be before they come back with any other ruling is anyone's guess.

Participant: I was just looking at the money that is wasted because some how the contractors has to figure it into his contract. You've got 30 contractors paying maybe

\$1500 a year for this insurance which could be saved and spent somewhere else and could do more houses.

State staff (Surber): Other questions or comments.

Participant: Kaye from Memphis. Again because of the whole house approach with every house having special needs it would really be useful not to the production quotas in with the way we are doing it now because things are just costing more and at the very least to go up with the possibility of one more thousand dollars to each unit.

State staff (Surber): To increase the average?

Participant: Yes, or don't tie the production to the, ugh, you know what I'm talking about.

State staff (Surber): the Program Support?

Participant: Yes, Program Support, thank you.

Participant: I'm speaking for Howard now.

State staff (Surber): That was Howard speaking? Tell Howard we appreciate his comments.

Participant: Thanks. He'll love it.

State staff (Surber): Again, every year we have looked at the Program Support issue and I've tried to inform Graham about this issue. We have been discussing it now for a couple of months.

State staff (Prichard): Let me make sure I understand your concern with it. Your concerns as an agency is that I may expend all my money but I may not necessarily do as many houses as we would equal the amount I need in Program Support. Is that close?

Participant: That's correct, but...who can understand this better than me?

Participant: Andrew Ramsey with the Community Action State Association. The way that the program support is done in the plan is that you get X-amount of dollars for each house that you weatherize. The problem is that the program is not self-supporting. Most of the Weatherization auditors do other programs like CSBG, Commodities or whatever to support their current salaries and so therefore the Program Support dollars are not really helping the program. It is limiting the program because people are having to go to reverse economics to say we have to do this many houses in order to equal our program cost to pay salaries, office expenses and all of those things. Another aspect of it is the administrative aren't quite as high as they say it should be. A percentage isn't quite high enough to cover all of the administrative costs such as office rent, utilities, and things like that. So agencies are having to reduce the amount of money for each house in order to do enough houses to get them \$850 per house to cover all of their staff and office expenses or the operating costs. Most states call this the operating costs and that is what we would like it to move to instead of program

support that an agency says this is our rent, utilities, and this person's salary. This is our operating costs right up front. This needs to come off and then what we are left with is direct service money.

State Staff (Prichard): And so, from my perspective, how would you propose dealing with agencies that did not do as many houses as they were paid to do. In my opinion, that this \$850 program support tie came from a fiscal control over the amount of support per house.

Participant: Right. Well, you could build that in there. Of course, when you go to operating costs you are going to see a decrease in the amount of houses to be done because now when this proposed state plan says we can spend \$5,800 but the average cost is only about \$2,000. But if we do less houses and you don't have to worry about and have those costs taken off the front end for salaries and operating costs and then you are left with direct services. Yes, you're going to have a decrease in the number of houses but each house served they are going to be a total weatherized home. They will get each and every line item. Right now what we are doing is to say here is the list of things that have to be done to this house and well we only have \$2,000 so what we do is to just start striking everything off that is not support and what you end up with is the air sealing and insulation.

State Staff (Prichard): And the \$2,000 you're getting that based on what you need to operate?

Participant: We can do a great job of weatherizing a few houses where we won't be back on a substandard weatherization job and it doesn't really help the client and we are all about helping the client.

State Staff (Prichard): Well just let me ask, what if you're serving, let's say you went from \$2,000 to \$6,000 you are serving a third less clients, we drop the cost so the house rate is reduced, correct?

Participant: You are actually going to be putting more work into each of those individual houses.

State staff (Prichard): The contractor would be.

Participant: Right. But you are still going to have to take all of the applications, prioritize all of them. No matter if you are serving a hundred or fifty. You still have to do the front end work,

Participant: Yeah, you are still going to pay your staff and then with the whole house weatherization it takes about 2 to 3 hours depending upon the appliances, and the way the house is constructed to go through. But you know that since you were in a weatherization program crawling through attics and crawl spaces and things like that to inspect it everything for an energy assessment you are still going to have your basic cost. So, whether you do 15 jobs in one county – a large agency that has 12 counties you still are going to need to pay that person a salary accordingly. Now in smaller counties you still may have to have that person do several other programs to pay their salary but the problem right now is weatherization is not self-reliant on its own funding

base so they are having to outsource but the demand is still there. They have to do all of these other jobs on top of weatherization which is really difficult to balance three or four different tasks and still produce their quotas.

Participant: At my agency I have to do Weatherization, Home Repairs, Commodities, driving a Head Start bus and anything else the Director may ask. Being one of only three men in the agency, a lot of things fall back on me so I'm spread too thin. A couple of days I'm doing audits, and other days commodities. Your days just get used up.

State staff (Prichard): So if you were going to do what Andrew is suggesting, you would be able to do only weatherization?

Participant: No, not in smaller agencies but the larger agencies are having difficulty. When you have 10 and 12 counties to be completed with what's required because the job is so technical to try to keep someone in that position. Right now there's a not a high turnover rate but in the next 1 to 3 years but there is going to be a lot of staff to retire. I'm already hearing a lot of that because I am the statewide training coordinator with TACA and a lot of people are saying come June I'm gone, come January I'm gone. It may be harder to find highly technical trained individuals that will stay with weatherization if you can't offer them the salaries because a lot of individuals are only making \$8 or \$9 an hour currently.

State Staff (Prichard): Well, I hear that, and I'd like to find a way to make it work on you all and also for everybody. We're looking at it. It's helpful for me to understand that issue.

Participant: Grantee guidance from DOE 2.5 under budget "grantee should ensure that Subgrantees are allowed to charge legitimate program support costs to the program operation category rather than requiring those costs to be charged to the Administrative category. For example, salaries, space, utilities, telephone, and similar costs associated with program support personnel should be charged to program operation. So getting back to Kaye's original point, eliminate the program support and allow the agencies to charge their operating costs to the program operations.

State staff (Prichard): I hear your comment.

Participant: But like you said there needs to be some kind of component if you don't meet your production or whatever what is the consequence of that. I think that is ultimately what fiscal was trying to get at in tying houses or program support to production.

Participant: But I think it's more of things have changed a lot over the years and what I see is several things have changed, one is it just makes good sense to take a look at just what is going to cost for an operating period and in some places it's very difficult to have full time staff that do this all the time and others like we do pick up time like our housing person does electrical. While others are trained to do the whole home approach. So that cost needs to be whatever it is –whatever we agree it should be fairly between us. But the other piece is that in that whole house approach often you

will need to spend a little more money per house in order to give those people the kind of reduction in energy that an older home should have so that two things we may need to spend more money based on the specifics of the guidelines to have to do the whole house and what it actually costs to make a difference and then break out the cost of doing business from the number of how done.

State staff (Prichard): Let me ask this question. If that program support was taken out is there anyone here who doesn't think that the number of houses they serve wouldn't be reduced by at least a third?

Participant: No idea but that may be too high.

State staff (Prichard): A significant reduction?

Participant: A reduction. But it varies because you may have one house that is in good shape and you may only have to spend \$400 or \$500 on and then the next house costs \$7,000. So you are going to have varying amounts so as far as to reduce your production so it's really hard to say.

State staff (Surber): Anything else on WAP?

Participant: Andrew Ramsey again from Tennessee Association Community Action. On page 70, table 1 should be removed because the table above it was an update table for D&R International however with that chart there should be an asterisk and it should say without air conditioning with air conditioning.

State staff (Surber): Thank you.

State staff (Prichard): I think you can send that to us in writing can't you?

Participant: I surely can. I can send it by email but I just wanted to let you know. And there are some other typos as well but that's all I saw.

Participant: Emily Satterfield. On page 60 regarding T&TA I have a question or comment or maybe it's a suggestion on the use of T&TA funds. It doesn't make a lot of sense for you to recoup them and then turn around for another year's weatherization if an agency has units available to weatherize and has T & TA funds left over. Instead of saying you are going to recoup it and turn it around to weatherize houses the next year, why can we not weatherize homes that we have ready and not turn it back to you. It seems strange that you are going to take it back and give it for the next time around. If we have units available to weatherize and are waiting on the list to weatherize it would appear to me to be a better way to go than to recoup it and then give it back.

State staff (Surber): That's a common question. Unfortunately, we can't do it that way. The T & TA funds come to us as a separate grant award and they have to be used for T & TA activities during the year they are granted. If they are not used DOE will then allow us to recoup them and put them back out for houses. But during the current year you cannot use these funds for anything but T & TA activities. So, I hear what you are saying and if DOE changes their regulations I would be glad to add some flexibility there, but we do have to follow the federal requirements.

Participant: Richard Giles, MDHA, Nashville. On page 115 related to bid openings. I realized when the auditors were here a couple of weeks ago when the bids are opened we are never going to have board members present. Our board visits the agency usually once a month but I need some clarification because if that has t happen it is going to really impede our production.

State staff (Surber): That is a policy for this year which is a Departmental policy and not a weatherization program policy so I can't comment on that except to say we'll look into it. But it is a policy from within the Dept.'s Internal Audit section.

State staff (Surber): Other comments that we need to take a look at? Ok, we will take a minute and just go back. Did anybody think of anything else on CSBG? How about LIHEAP? How about Weatherization? Ok. We appreciate your giving us your comments.